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DISARMAMENT AND THE UNITED NATIONS

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[Article by V. L. Israelyan]

[Text] The UN General Assembly special session on disarmament, which is scheduled to be held from 23 May through 28 June, will be a significant event in contemporary international life. It will be the biggest international conference on disarmament questions in the history of mankind (practically all the countries of the world will be participating in it) and an important international forum for the broad discussion both of the fundamental approach to the solution of disarmament problems and also of the main directions of the top-priority efforts of states in this sphere.

Much preparatory work has taken place during the 18 months which have elapsed since the adoption of the decision to convene the special session of the General Assembly. It took place in various directions. First of all the extremely active preparation for it by the majority of UN member states ought to be noted. Many of them have carefully worked out their position on a wide range of disarmament problems, have submitted proposals on these problems, and have formulated their attitude to them. Preparation for the special session has also been carried out through the collective efforts of the states--within the UN committee specially set up for this purpose. Finally, various international nongovernmental organizations participated in this important matter. From 27 February through 2 March an international conference of nongovernmental organizations on disarmament was held in Geneva which made it possible to elucidate opinions on the most important question on the agenda of the UN General Assembly special session on disarmament. All this attests to the tremendous interest which is being shown toward the session in all countries and by the entire world public.

The United Nations occupies an important place both in disarmament talks as well as in drawing up agreements in this sphere. The main aim of the United Nations in accordance with its charter is, as is known, the maintenance of international peace and security. Article 26 of the charter points out that this goal ought to be pushed for "with a minimal diversion of world manpower and economic resources for arms purposes."

The charter empowers the UN General Assembly to examine general principles of cooperation in the matter of maintaining international peace and security, including principles which determine disarmament and arms regulation, and also to make appropriate recommendations with respect to these principles. The Security Council is given the obligation of drawing up plans for the creation of arms regulation systems for submission to UN members.

Questions of limiting the arms race and of disarmament have been the focus of UN attention from its very first days. The first UN General Assembly resolution adopted at its 17th plenary sitting on 24 January 1946 concerned disarmament. It envisaged the establishment of a commission for examining problems arising in connection with the discovery of atomic energy and for submitting proposals, in particular those regarding exclusion of atomic weapons and all other basic types of mass destruction arms, from national armaments (Note 1), (UN Document 1 [I].)

Since then there has not been a single General Assembly session at which disarmament questions have not been examined to a greater or lesser degree. It should be noted here that UN attention to these questions is growing all the time. Whereas the establishment of the Commission on Atomic Energy at the first General Assembly session was only one of a number of disarmament questions, questions of disarmament subsequently occupied an increasingly large place on the agendas of General Assembly sessions. Thus, at the 15th session there were five of these and at the 32d--about 20. Of course the number of resolutions adopted on disarmament questions in the United Nations has been increasing accordingly. At the 32d General Assembly session, some 25 were adopted. In 1959 the United Nations came to the important and unanimous conclusion that the "question of general and complete disarmament is the most important question facing the world at the present time" (Note 2), (UN Document 1378 [XIV]). This conclusion fully retains its significance even now.

For the purpose of the specifically examining questions of limiting the arms race in the context of the United Nations or with its participation, various negotiating organs have been set up. Thus, after the Commission on Atomic Energy, a commission was organized in 1947 for the examination of the general regulation and reduction of armaments and armed forces, and in 1952 these two organs were replaced by a single Disarmament Commission. In 1954 this commission set up a subcommittee consisting of the USSR, the United States, Britain, France and Canada which, for a number of years, played a basic part in disarmament talks.

After the United Nations put forward in 1959 the goal of general and complete disarmament, a Disarmament Committee was set up consisting of 10 states which, however, did not manage to coordinate the principles of disarmament negotiations (Note 3), (The 10-state Disarmament Committee consisted of Bulgaria, Britain, Poland, Romania, the USSR, Czechoslovakia, Italy, Canada, the United States and France). These principles were agreed

on bilaterally between the USSR and the United States. In 1961 the UN General Assembly recommended that talks on general and complete disarmament be conducted on the basis of these principles and approved the Soviet-U.S. agreement on the creation of a new organ-the 18-state Disarmament Committee (Note 4), (In addition to the 10 former countries, it was joined by representatives of Burma, Brazil, India, Mexico, Nigeria, the United Arab Republic, Sweden and Ethiopia). In 1969 the number of members of the committee rose to 26 and it came to be called the Disarmament Committee Conference. Since 1975 it has been made up of 31 states (Note 5,) (At the present time the Disarmament Committee consists of: Argentina, Burma, Bulgaria, Brazil, Britain, Hungary, the GDR, Egypt, Zaire, India, Iran, Italy, Canada, Morocco, Mexico, Mongolia, Nigeria, the Netherlands, Pakistan, Peru, Poland, Romania, the USSR, the United States, France, the FRG, Czechoslovakia, Sweden, Ethiopia, Yugoslavia and Japan [France does not participate in the committee's work). Since its creation, the Disarmament Committee has held regular sessions in Geneva and each year submits reports on its activity to the UN General Assembly. In turn, many UN General Assembly resolutions contain appeals directed to the committee concerning the essence of its work.

Other organs of multilateral disarmament talks, including organs within the UN framework, have also existed and are currently functioning. For example, since 1973 a special committee for a world disarmament conference, has been operating, and since 1976 there has been a preparatory committee for the special UN General Assembly session on disarmament.

It is hard to estimate how much time has been devoted to discussing disarmament problems at the United Nations throughout its history and how many sessions of its various organs have examined this problem. Nor is it easy to cite the number of UN resolutions adopted on disarmament questions over more than 30 years. At the last (32d) General Assembly session alone the first committee was addressed by more than 100 delegation representatives during the debate on these questions, and on several occasion some of them made statements.

At the same time it is possible to draw certain conclusions on the UN role in discussing disarmament issues. The chief conclusion boils down to the fact that it has not stood aloof from the most urgent problem of modern world politics. Examining in detail various aspects of the disarmament problem, the United Nations has helped reach agreements on some measures to limit the arms race and for disarmament. Although the majority of them have been practically formulated outside its framework (either in the course of bilateral talks or at the Geneva Disarmament Committee), the agreements on arms limitations would not have been so effective or have received such broad support if the viewpoints of a considerable circle of UN members had not been taken into account.

UN discussion has another great significance. It makes it possible to draw the attention of world states to the pernicious consequences of the arms race and the need to take urgent measures to end it. The discussion of disarmament issues at the United Nations has also helped people to realize the potential dangers of another arms race and to uncover possible new developmental directions. It cannot be denied that had the attention of countries not been previously drawn to the great danger of modifying the natural environment by military means, it would hardly have been possible to reach a consensus agreement on this question through the joint efforts of UN member states. The same could also be said of the problem of creating new types and systems of weapons of mass destruction. Awareness of the possible emergence of weapons still more dangerous than those now existing will undoubtedly contribute to the conclusion of an appropriate international agreement.

An analysis of General Assembly discussion of disarmament issues and of the adopted decisions gives a good idea of the difficulties and obstacles standing in the way of reaching agreements and facilitates the search for mutually acceptable solutions.

Finally, the discussion of disarmament issues at the United Nations not only makes it possible to ascertain the viewpoints of almost all the world's states, to compare them and to shed light on what brings countries closer and what still divides them but helps to determine, so to speak, the order of importance and urgency of specific measures in limiting the arms race and in disarmament.

The Soviet Union's initiatives at the United Nations are exceptionally significant in promoting disarmament. With the victory of the Great October Socialist Revolution a state appeared in the world arena which made the struggle for disarmament one of its chief tasks. Throughout its history the USSR has consistently and unswervingly opposed militarism and the arms race and advocated arms limitation and disarmament. If we were to gather together all the proposals aimed at detente, at insuring peace, at disarmament and at improving relations among states which the Soviet Union has submitted for consideration to various international forums and individual governments, they would comprise several voluminous tomes.

The United Nations recently published a document containing a list of the all proposals submitted by its 149 members in the disarmament sphere. The list included, in all, 230 different proposals, 80 of which--that is, more than one-third--were submitted by the Soviet Union. Many of the Soviet proposals have already helped to achieve international agreements, and others are being discussed during the talks currently being held.

The diversity and complexity of disarmament issues, their increasing role in international talks and their exceptional role in world politics--all this has made the need to hold a special representative international conference obvious.

The idea of convening a world conference is not new. As long ago as 1922 the Soviet state put forward a proposal to hold such a conference. However, because the West rejected it, only a small number of states participated in the Moscow conference held that December. In the fifties the Soviet Union again repeatedly raised the question of holding a world disarmament conference. At their Belgrade meeting in 1961 the heads of state and government of the nonaligned countries recommended holding either a special General Assembly session devoted to disarmament or a world disarmament conference under UN aegis. The desire to convene a world disarmament conference was expressed once again at the conference of nonaligned countries held in Cairo in 1964. All the proposals did not, however, find concrete embodiment.

In 1971, at the USSR's request, world disarmament conference question was included on the agenda of the 26th General Assembly session. The Assembly adopted a resolution expressing the conviction that "it is of the utmost expediency to take immediate steps to carefully examine, after appropriate preparation, the question of convening a world disarmament conference open to all states" (Note 6), (UN Document A/C, 1/688). At the next General Assembly session in 1972 a special committee was established to examine governments' viewpoints and suggestions regarding the convening of a world disarmament conference, including the terms for holding it.

This decision received very broad support. The nonaligned countries' conferences in Algiers and Colombo and various forums of the socialist states resolutely supported it. The overwhelming majority of UN states advocated holding such a conference. Their replies to the UN secretary general's corresponding request and also the session's discussions emphasized that considerable experience had been accumulated in recent years in the sphere of international talks on disarmament--experience which would make it possible to promote the solution of the problem.

This experience, in particular, showed that participation of all countries, irrespective of their military and economic potential or socioeconomic systems, was important for a radical solution to disarmament questions of limiting and reducing the arms race and thus eliminating existing arms stockpiles. The universal composition of such a conference would insure the participation of all states in the concrete examination of these questions.

At the same time, taking into account the exceptional complexity of disarmament questions and the fact that the decisions will touch on the sphere of the states' national security, many countries have favored having a specially elaborated procedure and organization for the work of the world disarmament conference. It has been particularly noted, that the conference be organized in such a way that those states directly concerned in this or that problem take a primary part in examining it. This would provide an opportunity for more effectively seeking mutually acceptable solutions.

At the same time all other states with an interest in speedily resolving questions could also be involved in examining them. The combination of various work methods would promote the speedier attainment of agreements.

It is important for delegations to the world conference on disarmament to have the necessary powers to concretely elaborate appropriate documents, if necessary, with the involvement of qualified experts.

In this way the world conference on disarmament would become a forum making the transition from the general declarations and appeals adopted by UN General Assembly sessions to the practical agreement of disarmament measures possible.

In spite of the urgent need and obvious advantages of holding a world conference on disarmament, its convocation has so far proved impossible, due mainly to the resistance of two nuclear powers--the United States and China. The United States asserts that such a conference would be premature and objects to the creation of machinery for preparing it. The Peking leaders, striving to incite international tension and conducting a policy of militarization in China, put forward various kinds of preliminary conditions known to be unacceptable to other states.

Under these conditions, at their 1976 Colombo conference the heads of states and governments of nonaligned countries spoke in favor of holding a special session of the UN General Assembly on disarmament. This proposal was put forward at the 31st session of the General Assembly, which supported it in a unanimously adopted resolution. The resolution provided for the establishment of a Preparatory Committee involving 54 member states. In 1977 the committee held three sessions, agreeing on recommendations on practically all organizational and procedural questions for a UN General Assembly special session on disarmament. All the decisions without exception, including the draft agenda for the session, were adopted unanimously by the Preparatory Committee although agreeing on them was no simple matter. The work of the committee was positively assessed at the 32d General Assembly session, which ratified its recommendations.

Based on these the following questions were acknowledged to be most important on the session's agenda.

"The examination and evaluation of the present international situation in light of the urgent need to achieve substantial progress in the sphere of disarmament, as well as in light of the continuing arms race and the close connection between disarmament and international peace and security and economic development;

"The adoption of a declaration on disarmament;

"The adoption of a program of actions on disarmament;

"The examination of the United Nations' role in the area of disarmament and the international machinery for disarmament talks, including in particular the question of convening a world conference on disarmament";

The Preparatory Committee also recommended that the special session should form a working organ--a full committee with whatever number of groups or auxiliary organs of unlimited membership may be necessary.

It was also decided that the session will adopt a basic concluding document or documents with these main elements:

An introduction or preamble: a declaration on disarmament; an action program; the machinery for talks on disarmament. The Soviet Union together with the other socialist states presented draft concluding documents in September 1977. Other states have also put forward proposals on their content. (Note 7), (Documents from a group of socialist countries (the USSR, Bulgaria, Hungary, the GDR, Mongolia, Poland, Czechoslovakia), a joint document from the non-aligned countries and documents from a group of 11 Western countries (Australia, Britain, Belgium, the FRG, Denmark, Italy, Canada, the Netherlands, Norway, Turkey and Japan) have been presented to the Preparatory Committee. Austria, Venezuela, Italy, Mauritius, Mexico, Pakistan, Romania, France, Sweden, Japan and others have put forward individual documents.) On the basis of all the working papers mutually acceptable resolutions must be elaborated which would not only give a positive impetus to talks taking place on disarmament but would also promote the transition from talks to real steps in this sphere.

The documents from the Soviet Union and other socialist countries formulate concrete proposals on the content of the resolutions of the special session--the declaration and action program on disarmament. The draft declaration on disarmament contains a description of the present state of affairs in the disarmament sphere, sums up what has been achieved, and most important, formulates fundamental provisions or principles which should form the basis of talks and resolutions on questions of limiting the arms race and of disarmament. "The cardinal question," the document says, "now lies in transferring existing initiatives to a practical plane and moving toward achieving binding, effective international agreements in the disarmament sphere. This requires a pooling of the efforts of all states, nuclear and nonnuclear, big and small, developed and developing." The draft action program proposes identification of the general directions of efforts to end the arms race and concrete priority tasks in this sphere.

All the working documents submitted to the Preparatory Committee assess to some degree the ROLE OF DISARMAMENT OR THE LIMITATION OF THE ARMS RACE IN THE PRESENT INTERNATIONAL SITUATION: In many of them this problem is described as the most important and the most pressing. Thus, the socialist countries stress that "ending the arms race and implementing disarmament, including nuclear disarmament, and eliminating the threat of a world war is today's most acute and pressing problem." The nonaligned countries document notes that disarmament has become a most urgent international goal, and peace throughout the world depends on coordinated actions aimed at achieving disarmament and eliminating the threat of war. Essentially the same idea is

also contained in the Western countries' draft, which acknowledges that arms limitation and disarmament could make a great contribution strengthening international peace and security.

The materials submitted also contain ASSESSEMENTS OF THE INFLUENCE OF THE ARMS RACE ON THE INTERNATIONAL SITUATION AS A WHOLE. The socialist countries' draft notes that as a result of the arms race the threat of nuclear war is growing and points out that responsibility for this rests with the opponents of detente and with the military-industrial complex. The nonaligned countries' document emphasizes that mankind is now faced with an unprecedented threat of self-destruction as a result of the massive and competitive stockpiling of the most destructive types of weapons and nonetheless, despite this, the arms race, especially the nuclear arms race, does not lessen. They see the reason for the arms race in the rivalry between the great powers. The Western countries' draft is restricted merely to factually noting that enormous expenditure on arms and armed forces on a world scale is diverting material resources and manpower from peaceful socioeconomic development.

Many documents ATTEMPT TO SUM UP RECENT EFFORTS TO HALT THE ARMS RACE AND TO EFFECT DISARMAMENT. There are appreciable differences in views between the states on this issue. The socialist countries given an objective assessment, stressing that the task of curbing the arms race is feasible. This is borne out by the history of the past few years, in particular by the agreements concluded and the important initiatives which have not yet been implemented. As is well known, the important agreements concluded in the sphere of curbing the arms race and of disarmament include the Soviet-U.S. agreements aimed at preventing nuclear war and reducing the danger of its accidental outbreak, and at limiting strategic arms, the Moscow treaty banning nuclear weapon tests in the three environments; the Nonproliferation Treaty of nuclear weapons; the treaty banning weapons of mass destruction from the seabed and ocean floor or the subsoil thereof; and the convention banning modification of the environment for military and other hostile purposes (Note 8) (see "The Soviet Union in the Struggle for Disarmament. Anthology of Documents." [Sovetskiy Soyuz v Borbe za Razoruzheniye. Sbornik Dokumentov]. Moscow 1977.)

The nonaligned countries document asserts that no real progress has been achieved in disarmament and the agreements of recent years concern only insignificant limitations.

Some countries --they are in the minority--are inclined to make a totally negative assessment of efforts to limit the arms race and effect disarmament. The documents submitted to the Preparatory Committee ALSO ATTEMPT TO DEFINE THE FINAL AIM OF EFFORTS IN THE DISARMAMENT SPHERE. "The main, final aim of the states' efforts in this field," the socialist countries' draft states, "is universal and complete disarmament under strict international control; only universal and complete disarmament can give mankind, on a firm and lasting basis, the universal peace and security essential for the solution of urgent problems of world economic and social development." The same position is encountered in almost all the other working materials.

Together with the definition of the final aim, THE QUESTION OF WAYS OF ATTAINING IT is also raised. The majority of the views expressed agree that together with talks on universal and complete disarmament, specific measures to limit the arms race and reduce armaments and effect disarmament are designed to play an important role on the path toward this goal.

Proposals and considerations concerning partial measures are contained in the draft action programs for disarmament. They mainly highlight major directions like nuclear disarmament, eliminating other types of mass destruction weapons and the limitation and reduction of conventional arms and armed forces.

In their draft the nonaligned countries provide for a time-frame for the implementation of disarmament measures, believing that the action program they are proposing in the disarmament sphere must be completed no later than the end of the next decade.

Almost all states believe that paramount attention must now be paid to PROBLEMS OF NUCLEAR DISARMAMENT. The spectrum of initiatives on these issues includes measures ranging from prohibiting the nuclear weapons use to their complete liquidation. The Soviet Union and other socialist countries have advanced a series of proposals aimed at halting the production of nuclear weapons and reducing them right up to their total removal at banning nuclear weapons tests at renouncing neutron weapon production and so forth.

Among the specific measures necessary for implementing nuclear disarmament which all representatives cite is cessation of nuclear weapons tests. Note that this measure must cover all nuclear states.

Many countries advocate THE REINFORCEMENT OF NUCLEAR NONPROLIFERATION. "It is essential to continue to increase the effectiveness of the Nonproliferation Treaty," the socialist countries' document states, "and to make it truly universal, to strengthen the system of International Atomic Energy Agency [IAEA] guarantees; and to insure that the broad international cooperation in the sphere of the peaceful use of nuclear energy, which plays an important part in the development of the states' economies, does not become a channel for the proliferation of nuclear weapons or other nuclear explosive devices."

All the documents submitted propose taking STEPS TO REDUCE NUCLEAR ARSENALS. Many countries, particularly the-nonaligned ones, advance proposals for prohibiting the qualitative improvement of nuclear weapons and halting research and developments on new weapons types. A number of documents advance a proposal to ban the deployment of new types of nuclear weapons on foreign territories.

In the opinion of many states THE CREATION OF NUCLEAR-FREE ZONES in various regions of the world will promote the goal of nuclear disarmament. The non-aligned countries state that "the creation of zones free from nuclear weapons and of zones of peace is one of the most effective disarmament measures which states not possessing nuclear weapons can implement."

The majority of working documents also provide for THE PROHIBITION AND LIQUIDATION OF CHEMICAL AND OTHER TYPES OF WEAPONS OF MASS DESTRUCTION. Considerable attention is paid to the need to PROHIBIT THE DEVELOPMENT OF NEW TYPES AND SYSTEMS OF WEAPONS OF MASS DESTRUCTION. A specific proposal on the conclusion of a corresponding treaty is contained in the socialist and nonaligned countries documents. The Western countries merely express themselves in favor of banning weapons based on "new scientific principles."

In addition, the states' proposals provide for MEASURES TO LIMIT AND REDUCE CONVENTIONAL ARMAMENTS AND ARMED FORCES. In the opinion of the nonaligned countries, the reduction of the armed forces of states must be effected within the framework of universal and total disarmament. Some countries raise the issue of limiting the arms trade.

Considerable space in the working documents is given to the question of REDUCING MILITARY BUDGETS. In the socialist countries' opinion the implementation of this measure would be one of the most effective means of curbing the arms race. The resources saved could be channeled toward peoples' economic and social progress and toward giving aid to the developing countries. The socialist countries propose making the reduction of military appropriations the subject of concrete businesslike talks between states for their actual reduction. At the same time the nonaligned and Western countries mainly stress the introduction of models for the standardized accounting of military budgets which, as recent practice has shown, only sidetracks the questions' resolution.

In insuring favorable conditions for curbing the arms race and ridding mankind of military threat the universal assertion and development of A PROVISION FOR THE NONUSE OF FORCE IN INTERNATIONAL RELATIONS has an exceptionally important place. "Renunciation of the use or threat of force must become a law of international life," the socialist countries' document stresses. Other documents raise the question of accelerating the elaboration of a UN system and mechanism for the peaceful settlement of arguments and for preserving peace.

Practically all countries consider that the main approaches to the disarmament problem must be determined at the special session, or in other words, the PRINCIPLES FOR THE CONDUCT OF TALKS IN THIS FIELD must be formulated. A number of states propose that the joint Soviet-American declaration on the agreed principles of the 20 September 1961 disarmament talks be adopted as the basis for principle. (It proclaimed the aim of general and complete disarmament, determined the main directions for its gradual achievement and quoted provisions on balancing disarmament measures in order to prevent anyone from obtaining any military advantages and on insuring equal security of all countries, the need for strict and effective international control and the implementation of measures to settle international disputes by peaceful means). Many documents propose making the principle of universality, that is, the participation of all states in disarmament talks, a fundamental

principle. The socialist countries' document stresses in this context that "the most important condition for the effectiveness of steps in the disarmament field is the participation in the talks and in agreements drawn up of the largest possible circle of states, particularly the nuclear powers and states possessing the most powerful arms and armed forces."

At the same time it must be noted that the principle of universality must not deny differing states' responsibility and potential capabilities in resolving the particular questions as happens in some drafts. As is known there exist nuclear powers, states which are militarily developed but do not possess nuclear arms, and countries with less potential in this field. Every state has its specific interests, its place, role and responsibility in resolving disarmament questions. But, despite these differences, all the countries of the world are interested in the favorable resolution of disarmament questions and all, without exception, can make their own contribution to this matter.

The question of responsibility and the role of states in the field of disarmament is touched upon in nearly all the documents submitted to the Preparatory Committee. Some of them try to put the responsibility for progress in the disarmament field exclusively on the USSR and the United States; here no distinction is made between Soviet policy, a consistent and decisive fighter for disarmament, and U.S. policy, whose position is in many ways determined by the selfish interests of the military-industrial complex. In other documents it is possible to come across artificial counterposing of nuclear and nonnuclear powers' responsibility. Finally, there are proposals to endow the United Nations with certain inapplicable [nesvoystvennyy] rights and powers in implementing disarmament measures. There is a general shortcoming in such approaches and proposals: They do not realistically look at the modern world, ignore disarmament's complex nature and do not consider the interdependence of contemporary international relations and the interlacing of states' interests in solving world political questions, including of course, the disarmament questions.

In the opinion of many countries, a fundamental principle and very important prerequisite to the success of disarmament talks, is the protection of the national security interests of the states party to agreements on arms limitation and disarmament. This importance is stressed in the socialist countries' document: "Measures for curbing the arms race and for disarmament must be based on the principle of not damaging any of the sides party to the agreement; strict observance of this principle and renunciation of attempts to obtain one-sided advantages are a most important condition for the effectiveness of the talks and the viability of agreements drawn up."

Many multilateral and bilateral documents adopted recently stress that measures to curb the arms race and expand disarmament must be based on the principle of non detriment to any of the sides participating in the agreements. In particular, this principle is fundamental to the Soviet-American Strategic Arms Limitation Talks and also to the talks on the production of armed forces and

arms in central Europe. Experience confirms that if any of the participants in the talks try to infringe upon it, the talks will fail. On the other hand, when this principle is observed, the talks are generally successful and the resulting agreements are effective and viable. The principle of "balance", i.e., the refusal to allow military advantages for some countries at any stage of disarmament, also enjoys considerable support. Western countries, however, are trying to introduce a provision that mainly reflects the essence of the NATO countries' position at the Vienna talks to obtain one-sided military advantages.

The principle of the connection between disarmament and development is upheld mainly in the documents of the nonaligned countries, which stress that "a substantial part of the resources saved as a result of disarmament measures should be directed primarily toward the social and economic development, in particular, of the developing countries." The socialist countries proposed that these resources be used to help raise the prosperity of the peoples of all the countries of the world and resolve worldwide tasks facing mankind, including the acceleration of social and economic progress in developing countries. Concerning questions of disarmament and development, many states advocate formulating a provision on the need to establish a just new world economic order.

Virtually all the documents contain a requirement on the NEED TO INSURE MONITORING OF DISARMAMENT MEASURES. However, there are several approaches to this problem. The socialist countries propose that "disarmament agreements should provide for effective monitoring of disarmament measures, the amount and nature of which are determined by the amount, nature and particular character of the specific measures provided for by these agreements." A number of countries, particularly Western powers, are artificially exaggerating the question of monitoring, basically reducing it to conducting international site inspections. Thus, one document says outright that in order to carry out monitoring and checks on the implementation of disarmament measures it is necessary to create within the UN framework an international organization whose inspectors would have to "be insured unlimited access to all places without exception" insofar as this is necessary.

The documents submitted to the Preparatory Committee also touch on the question of the mechanism of disarmament negotiations and contain assessments of the effectiveness of existing channels of negotiation, including the work of the Geneva Disarmament Committee, and proposals on enhancing the UN role of disarmament and on holding new talks, including a world conference on disarmament.

In the opinion of the socialist countries, the existing NEGOTIATING MECHANISMS are wholly in accordance with the scale and nature of the diverse problems of disarmament and should be further used for achieving the necessary international accords. Their draft action program gives a general evaluation of the results of these talks and sets out in detail their proposal to hold a world conference on disarmament. A number of other documents also contain a positive evaluation of the results of existing forums and negotiations on disarmament.

At the same time many countries are also putting forward various proposals aimed at modifying the above-mentioned mechanism. The majority relate to increasing the role of the United Nations and its organs in this sphere. The opinion is expressed that the United Nations must play the chief role and bear the main responsibility for observance of disarmament measures. It is proposed, in particular, to entrust the UN General Assembly with monitoring the fulfillment of the declaration and the action program on disarmament which will be adopted at the special session; the General Assembly's first committee is to tackle only questions of disarmament and international security; the wish is expressed that the work of the UN disarmament commission be resumed and that it be made a center for the holding of talks on disarmament and an organ to monitor the implementation of international agreements in this sphere. The question is raised of the need for states to provide the United Nations with information on all disarmament measures, as well as broadening its potential for disseminating this information and for conducting research in this sphere. Western countries urge support for "the UN secretary general's efforts aimed at examining the possibilities of the organization's playing a catalyst role in the negotiation process. They also propose a number of measures to promote "public understanding" of disarmament issues.

Many proposals concern the activities of the Geneva Disarmament Committee. The nonaligned countries advocate the establishment of an "organic link" between the UN General Assembly and the Disarmament Committee, necessitating the following measures: giving all UN states the opportunity to submit proposals directly on the issues under the committee's consideration and to attend sessions of its working organs in these cases and to increase the role on the committee of the UN secretary general's representative and the UN center for disarmament; to revise the committee's composition; to create conditions for the participation of all nuclear states in it; to abolish the institution of cochairmanship by the USSR and the United States and to introduce monthly rotation of the committee chairman.

The nonaligned countries advocate the establishment of a special UN committee to draw up a comprehensive program of disarmament measures by 1980. A number of countries call for new forums of disarmament talks to be set up.

In studying the various proposals for a mechanism for disarmament talks it should be emphasized that a great degree of circumspection and care is needed in examining this question. Long experience of disarmament talks leaves us in no doubt that the main difficulties in the way of resolving the disarmament problem lie not in the mechanism for talks but in the activities of influential forces in a number of countries which seek to continue the arms race and to preserve international tension. Rejection of the existing channels of negotiation which have justified themselves or their radical structural reorganization can only harm the talks. The task consists of making full use of the potential of the existing disarmament organs.

If we were to try to compare the work of all the numerous disarmament forums in the postwar period, we would have to reach the conclusion that the Geneva

Disarmament Committee has proved the most effective and profitable. Over the years of its existence it has examined the most urgent questions of limiting the arms race and of disarmament. International agreements have been formulated on some of them. The committee made a substantial contribution, for example, to preparing the treaties on the nonproliferation of nuclear weapons and on the prohibition of nuclear weapons and other types of mass destruction weapons on the seabed and the ocean floor or in the subsoil, the convention banning the military or any other hostile means of modifying the natural environment and others. Discussion is continuing on other issues, but it also is not fruitless, as partial progress has been made in certain important directions. Conferences at the level of experts and the reports prepared by them, contributing to the search for mutually acceptable provisions, on the whole play a useful role.

In accordance with the agenda of the special UN General Assembly session on disarmament, it will also examine THE QUESTION OF A WORLD DISARMAMENT CONFERENCE, to which the Soviet Union and the socialist states, as well as a number of other countries, attach exceptionally great significance. "Making cardinal progress in resolving the disarmament problem, which affects the interests of all countries without exception, demands that it be examined at a very broad and authoritative international forum--the world disarmament conference. Such a truly worldwide forum could examine in a qualified manner and in necessary depth the whole range of disarmament issues." the socialist countries' document points out. In the opinion of the nonaligned countries a world disarmament conference would be convened "at an appropriate time with universal participation and proper preparation."

The United States has not submitted its draft final documents for the special UN General Assembly session on disarmament for consideration by the Preparatory Committee, and its representatives have displayed no special vigour during the work of the committee. Nevertheless, many statements by U.S. officials provide us with a definite idea of the U.S. administration's position.

At the 31st UN General Assembly session it supported the resolution on convening a special session on disarmament in 1978. "We will make a definite and positive contribution during the coming 1N General Assembly special session on disarmament," President J. Carter said on 17 March 1977 in his first speech in the United Nations. On 22 April 1977 a document was disseminated in the United Nations entitled "The United States' Opinion Relating to the Agenda and Other Relevant Questions Concerning the Special Session of the General Assembly Devoted to Disarmament," which expressed confidence that this session would provide an important opportunity for embarking on the concentrated examination of several fundamental disarmament problems. "The session," the document says, "could certainly serve many important goals both for governments and for the public, including deepening and improving understanding of the vitally important disarmament problems. The session's central task must consist in providing a genuinely new stimulus for productive multilateral talks on disarmament questions. The significance of the session, in the American Government's opinion, will partly depend on the extent to which it promotes measures and approaches which can contribute "to improving the

international atmosphere and extending progress in the sphere of arms control and disarmament."

While opposing abstract priorities in disarmament talks and "general disarmament principles defined without reference to their attainability," the Americans at the same time refrained in their speeches in the course of the session's preparations from defining the concrete problems on which to focus attention. The American document touches in a general way on such problems as measures in the sphere of "arms control," "increasing international trust," and so forth. The document very cautiously defines the attitude to existing machinery for disarmament talks, although it notes that "the session must be ready to undertake any necessary improvement in existing machinery and practice." The report to the U.S. President from the secretary of state on questions of transforming and restructuring the UN system notes: "We would support an expansion or change in the United Nations' role in the disarmament sphere on the condition that any amendment to United Nations organization measures or any modification of them will not change its approach to mutually acceptable goals and more effective methods of arms control."

Interest in the UN General Assembly special session is relatively great in the United States. Various symposiums have recently been held on relevant questions and many prominent American specialists are putting forward proposals and considerations. Appropriate preparations are also taking place at government level. All this gives grounds for assuming that Washington intends to make active use of the forthcoming session to obtain support for its disarmament line, which, as is known, occupies an important place in the U.S. administration's whole foreign policy concept.

Analysis of the working documents submitted to the Preparatory Committee testifies to the existence among states both of common attitudes to disarmament problems and of serious differences in relation to ways of resolving them. It is to be hoped that the UN General Assembly special session will adopt a realistic, constructive program in the disarmament sphere which will be acceptable to all states. Nonobjective priorities, the setting of unrealistic deadlines for the implementation of this or that concrete task, the establishment of unworkable machinery and the putting forth of proposals which could be detrimental to the national security of the participating parties will hardly further the programs' successful implementation or help talks in progress on the complex problems of disarmament.

Present-day international life demands the adoption of effective measures in the sphere of limiting the arms race and of disarmament. The atmosphere is now favorable for this. It is determined above all by the interest of all countries and peoples in disarmament, the correlation of forces in the world arena, and the persistent, purposeful demands of broad public masses for an end to the arms race. Substantial preconditions for the successful resolution of the problems of disarmament have been created by the initiatory, consistent policy of the Soviet Union and other socialist countries on these questions. "To halt the arms race and insure progress toward lessening and in the last analysis removing the threat of thermonuclear catastrophe is the

main problem now on the agenda in our life," L. I. Brezhnev, general secretary of the CPSU Central Committee and chairman of the USSR Supreme Soviet Presidium, stated in his speech in Vladivostok on the cruiser Admiral Senyavin on 7 April 1978. "For its part the Soviet Union will continue its efforts to achieve constant progress along the path of military detente and the transition to real disarmament. Such is our firm policy, and we will implement it unswervingly."

In our time ever increasing significance is being assumed by the time factor. There is no justification for delays in talks on disarmament. Of course, these talks are a complex matter. They touch on the most sensitive, delicate aspects of state's activity and their national security. However, difficulties in disarmament talks arise mainly from the unwillingness of certain Western countries to reach just agreements without detriment to the national security interests of other participants in the talks.

It is to be hoped that the numerous talks now taking place on questions of limiting the arms race and of disarmament, and above all the UN General Assembly special session on disarmament, will make it possible to embark on concrete measures in this sphere.

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COMPETITION OF TWO SYSTEMS: FICTIONS AND FACTS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 78
pp 17-32

[Article by V. M. Kudrov]

[Text] With a degree of persistence worthy of better application, bourgeois propaganda is attempting to denigrate the Soviet Union's achievements in developing its economy and culture and raising the standard of living of its entire population and prefers to conceal the fact that the potential of real socialism is growing. It would seem to already have become a tradition that, for example, in connection with any noteworthy event in the life of our nation, the ideological business in the West is activated for the latest "subversion" of socialism and its ideals and actual achievements and for the spreading of rumors about difficulties and unsolved problems. This was again the case when the 60th anniversary of the Great October Socialist Revolution was celebrated, at which time U.S. NEWS AND WORLD REPORT, an American magazine considered to be solid and informed in the West, led the choir of "subverters" and printed a series of articles on the Soviet Union in its 24 October 1977 issue. These included an article comparing the economies of the USSR and the United States. Famous French sociologist R. Aron rallied to the side of the author of this article and noted in the 14-20 November 1977 issue of L'EXPRESS that he had received "inspiration" from reading the American magazine and had referred in several of his own publications to information printed in this magazine.

Correlation of Production Volume

The first group of issues touched upon by our critics concerned the correlation between the production volumes of the two nations--the USSR and the United States. These issues are analyzed from the historical vantage point.

Each Soviet person is well aware that conditions in Russia were catastrophic by 1917 due to the total disorder in the economy, the defeats suffered in World War I and the political discrediting of the bourgeoisie and ruling circles. "Russia is threatened by unavoidable catastrophe," V. I. Lenin wrote at that time. "Railway transport is in a state of unbelievable disorder and the situation is constantly growing worse.... A catastrophe of

unprecedented dimensions and hunger are unavoidable."¹ At a state conference convened by the Provisional Government in August 1917, financiers estimated Russia's national debt at approximately 60 billion rubles, which was several times the size of its total national income.²

The October Revolution took Russia out of the bloody imperialist war, saved the country from a nationwide catastrophe and delivered it from the danger of enslavement by foreign capital. The Soviet regime created reliable conditions for consistent progress in broad-scale economic construction and the elevation of the public standard of living.

The American magazine, however, does not agree with this, and, in order to belittle the Soviet Union's successes, it has, in the first place, deliberately exaggerated the correlation between the absolute production volumes in tsarist Russia and the United States. On the basis of this overstated correlation, it concludes that the per capita production volume in Russia in 1860 was allegedly equal to 41 percent of the U.S. level of that time. In the second place, this magazine asserts that, by the 60th anniversary of October, "the American economy was producing almost twice (in absolute terms--V. K.) the volume as the Russian economy" (Russia here refers to the USSR, and production volume refers to the gross national product, or GNP).³ In the third place, on the basis of this last, also false assumption, the magazine states that the present per capita GNP in the USSR supposedly amounts to only 42 percent of the present U.S. level--that is, almost the same as a century ago--in 1860, when it was supposedly equal to 41 percent.

The first question that arises is this: Why does the American weekly believe that the per capita production volume in Russia in 1860 was equal to 41 percent of the U.S. level?

In the history of international comparisons of national income (until the 1920's the category of the GNP did not even exist), there are no known cases of the direct comparison of the United States and Russia in terms of this indicator for 1860. Apparently, the American authors have used the method of extrapolating indices⁴ up to 1860, taking their own, far from perfect comparisons of current production volumes in the USSR and the United States as a basis.

We do know, however, that the first international comparisons of national income in 1860 were made by Professor Leone Levi, prominent English economist and statistician. It is true that the United States does not enter into Levi's calculations; his comparisons only concern Russia, England, France and Austria. Nonetheless, a general idea can be indirectly derived of the comparative Russian and U.S. per capita national incomes. According to Levi's data, this indicator was equal to 21 pounds sterling for England, 11 pounds 10 pence for France and slightly over 6 pounds for Russia and Austria. In other words, the per capita national income in Russia was only 29 percent of the English level and, consequently, approximately the same percentage of the U.S. level. Here it is also necessary to consider the fact that the per

capita Russian national income was apparently overstated by the author since it turned out to be on a par with the indicator for Austria, where the level of economic development at that time was higher than in Russia.⁵

As far as we know, the first international comparisons including the United States and Russia were made by English economist D. Baxter. According to his calculations for 1868-1870, per capita national income was 26 pounds sterling in the United States, 28 pounds in England, 21 in France, 17 in Austria, 19 in Germany and 7 in Russia.⁶ The correlation between Russian and U.S. income was, consequently, 27 percent, and not the 41 percent reported by U.S. NEWS AND WORLD REPORT.

Later, at the end of the 19th century, English economist M. Mulhall, organizer and compiler of the world's first statistical dictionary and handbooks, published data on the per capita national income of several nations, which were reprinted in a work by famous Russian statistician S. N. Prokopovich. According to these data, the per capita national income was equal to 63 rubles in Russia, 374 in Australia, 346 in the United States, 273 in England, 127 in Austria, 184 in Germany and 101 in the Balkan states. Prokopovich wrote bitterly: "We are the poorest of the cultured nations. The Bulgarians and Serbs have an income one and a half times as high as that of the Russians, the Germans have one almost three times as high, the English have one four and a half times as high and the Australians have one six times as high."⁷ Mulhall's data indicate that Russian per capita national income constituted 8.2 percent of the U.S. level even at the end of the 19th century. Therefore, the figure of 41 percent for 1860 does not stand up to verification by the comparisons made during the last century by various economists.

Let us now look at comparisons for 1913. According to the calculations of U.S. NEWS AND WORLD REPORT, the 1913 GNP in 1976 prices was equal to 100 billion dollars in Russia and 255 billion in the United States, and the correlation was 39.2 percent. The per capita GNP amounted to 631 dollars and 2,628 dollars respectively, while the correlation was only 24 percent, which is significantly lower than the American magazine's figure for 1860--41 percent.

In view of the fact that conversions of indicators for years in the distant past to current prices, not to mention extrapolations in accordance with indices of production growth, always distort the actual correlations between indicators for different nations, we should take a look at the primary data for 1913. According to Prokopovich's calculations, the national income of the Russian Empire in 1913 (excluding Finland) was approximately 16 billion gold rubles (excluding land revenues).⁸ Later, after he had emigrated, Prokopovich recomputed this indicator with consideration for works published by USSR Gosplan and individual Soviet economists in the 1920's and derived a sum equal to 18.5 billion gold rubles. If this figure is adjusted in line with the slight reduction in the territory of our nation after 1917, the total is 15 billion (gold) rubles.⁹ As American economist P. Studenski notes, "in the same way as Soviet economists, Prokopovich employed the Marxist idea of national income calculating the 'net physical product' in the manufacturer's wholesale prices."¹⁰

According to the calculations of famous American economist Raymond Goldsmith, U.S. national income in 1913 was 31.9 billion dollars. This sum, however, cannot be compared to Russian national income: It was defined by Prokopovich as the total net product of branches of physical production (industry, agriculture, construction, transportation, communications and trade), while the volume of U.S. national income for 1913 includes the product of branches of physical production and revenues in the service sphere, which raises it by approximately 20 percent in comparison to the data for Russia. Consequently, if R. Goldsmith's total is to be made more or less comparable to the estimate for Russia, it must be reduced by one-fifth. Then U.S. national income will total 25.5 billion dollars and not 31.9 billion. This figure can be compared to Prokopovich's data after their conversion into dollars.

Gold currency circulated freely in the United States and Russia in 1913. For this reason, the conversion of rubles into dollars for that year, in contrast to the present time, can easily be accomplished according to the gold standard. We know that in 1913 the dollar was equal to 1.94 rubles in terms of its gold content. This means that the national income of Russia, equal to 15 billion (gold) rubles, was the equivalent of 7.8 billion dollars, or around 31 percent of the total U.S. national income--that is, considerably lower than the figure of 39.2 percent reported in the American magazine. Besides this, if this kind of comparison is made according to Goldsmith's idea rather than Prokopovich's methods--that is, counting the product of the entire service sphere--the correlation between the national incomes of Russia and the United States will be even lower than 31 percent since the percentage accounted for by the service sphere was much higher in the national income of the United States with its higher level of economic development than in the national income of tsarist Russia.

Therefore, it is completely obvious that U.S. NEWS AND WORLD REPORT has substantially exaggerated the correlation between Russia and the United States, both in terms of absolute volumes of national production and in terms of these per capita indicators for 1860 and 1913. Moreover, it does not take the fact into consideration that the tremendous gap between Russia and the United States, which grew progressively larger during the 19th century and the beginning of the 20th, was closed within a relatively short period of time after the October Revolution. Let us turn to facts and figures.

The data in Table 1 show that the Soviet Union has come much closer to the U.S. level during these decades in terms of general economic development and has even surpassed this level in several branches. Total industrial output accounts for more than 80 percent of the American level. These data can easily be reinforced with comparisons of a large group of natural indicators. For example, it is a well-known fact that the USSR is far ahead of the United States in the production of steel, cast iron, coke, iron and manganese ore, petroleum, mineral fertilizers, steel pipe, railway locomotives, tractors (in terms of total horse power), grain combines, commercial timber, sawn lumber, cement, prefabricated reinforced concrete structures and materials, cotton, flax, wool, milk, butter, wool and cotton fabrics and other important commodities. Comparisons of production volumes of all these commodities are extremely indicative since they account for a large percentage of the Soviet and U.S. national incomes.

Table 1

Comparisons of Basic Economic Indicators
of USSR and United States (USSR in % of U.S. Level)

	1913	1950	1957	1965	1976
Industrial product	12.5	30	47	62	over 80
Agricultural product*	65	55	70	approx 75	over 85
Coal (converted to standard fuel units)	6	39	72	83	82
Petroleum	27	14	28	63	130
Gas	0.1	3	7	27	55
Steel	15	30	49	75	121
Cast iron	15	32	51	82	132
Electric power (gross output)	9	22	28	41	51
Metal-cutting tools	4	41	116 (1960)	95	98 (1975)
Mineral fertilizers	3	31	42	69	126
Cement	13	26	58	111	175

* With the exception of 1976, these are the average figures for the 5-year periods ending in the years indicated above.

IZVESTIYA AKADEMII NAUK SSSR; SERIYA EKONOMICHESKAYA, No 4, 1976, p 22; "Narodnoye khozyaystvo SSSR za 60 let" [The National Economy of the USSR Over the Last 60 Years], Moscow, 1977, pp 95, 96, 112-116; "My i planeta" [We and the Planet], Moscow, 1972, p 42.

It is true that this group is generally made up of items requiring high material input and traditional production technology. The USSR is still behind the United States in many cases in the production of more modern commodities requiring the use of more advanced equipment and technology, particularly commodities requiring a high scientific input. This applies to some chemicals, particularly plastics and synthetic fibers, to the products of several machine-building branches, particularly motor vehicles, electronic equipment, radios and tape recorders, to the production of electric power, particularly at nuclear power stations, and to paper and cardboard. Nonetheless, the scales of construction (this branch also enters into calculations of national income) are greater in the USSR than in the United States, the freight turnover of railways is much greater and so forth. Besides this, we must remember that the leaders in Soviet industrial production are key branches--machine building, the chemical industry and electric power engineering, which determine the general technical level and rates of technological progress in the entire national economy. In 1977 they accounted for 40 percent of the total industrial product (that is, even slightly more than in the United States), while in 1932--the last year of the First Five-Year Plan--they only accounted for 10 percent.¹¹

Our nation has come closest of all to the U.S. level in the production of equipment and construction materials--that is, in the branches creating the elements of the material and technical basis of the economy. On the whole, according to the estimates of Soviet economists, the output of industrial means of production in the USSR is already close to 90 percent of the U.S. output and the output of consumer goods is more than 60 percent of the U.S. output.¹²

Comparing the economic indicators of the USSR to those of the most highly developed capitalist nations in Western Europe is also extremely indicative. According to the data of international statistics, in 1913, in terms of total industrial production, tsarist Russia lagged behind England and Germany (individually) by approximately 60 percent, behind France by 50 percent and behind all of these states taken together by almost 86 percent. It was precisely at that time that V. I. Lenin wrote that Russia was equipped with only one-fourth as many progressive tools of production as England, one-fifth as many as Germany and one-tenth as many as America.¹³ At present, total industrial production in the USSR, according to UN data, significantly surpasses the level of the FRG, England and France taken together.¹⁴ (Also, see Table 2).

Table 2

Output of Major Products in the USSR in % of Combined
Output of FRG, England and France

	1913	1940	1965	1970	1976
Electric power	21	50	108	116	139
Commercial coal	7	33	113	142	176
Petroleum	85 times as much	28 times	22 times	35 times	31 times
Gas	-	-	427	370	460
Cast iron	13	-	109	123	172
Steel	18	53	109	119	164
Mineral fertilizer	0.7	-	83	127	235
Synthetic resins and plastic	-	-	20	20	24
Sawn lumber	80	-	619	646	608
Paper	15	-	36	36	38
Cement	20	30	98	115	155
Cotton fabrics	29	-	188	243	302
Wool fabrics	-	-	76	125	178
Sugar	48	-	200	151	211

"My i planeta," Moscow, 1972, p 44; "Narodnoye khozyaystvo SSSR za 60 let," pp 106-109; "60 pobednykh let: tsifry i fakty" [Sixty Victorious Years: Figures and Facts], Moscow, 1977, pp 221-222.

All of these data conclusively testify that there was a radical change after the October Revolution in the correlations of the economic indicators of our nation in comparison to the United States and to the leading Western European countries taken together. Naturally, this would have been impossible if the capitalist order had been preserved in our nation.

The growing economic strength of the USSR, its tremendous experience in economic and cultural construction and its assistance of other nations in the socialist community have played an exceedingly important role in the establishment and consistent development of their independent national economies since the victories of the socialist revolutions in these countries. Socialism as a social system has formally established itself on its own economic base and has radically consolidated its positions in the world (see, for example, Table 3), in spite of the economic and technical underdevelopment inherited by most of the socialist countries from the old order and the unfavorable external conditions for the construction of the bases of socialism in some nations.

Table 3

Rise in % Accounted for by Socialist Countries
in World Industrial Production

1917	less than	3
1922	approx	1
1937	less than	10
1950	approx	20
1955	approx	27
1976	more than	40
Including:		
CEMA nations	approx	33
USSR		20

"Narodnoye khozyaystvo SSSR za 60 let," p 35; "Politicheskaya ekonomika" [Political Economy], vol 2, Moscow, 1976, p 506.

The general levels of economic development in the socialist states are gradually being equalized as a result of the more rapid economic growth of the less developed states, the continued expansion of cooperation and the intensification of socialist economic integration.

Rates of Production Growth

This is another important aspect of the comparison of U.S. and Soviet economic indicators to which U.S. NEWS AND WORLD REPORT devoted a great deal of attention. It first had to admit that "Russia is passing up the United States in terms of the production volumes of some categories of commodities" and that "the Russian rate of economic growth is higher." At the same time, its comparisons as a whole are neither scientifically substantiated nor sufficiently objective.

The author of the article states that "the Russian GNP is 7.5 times greater and the U.S. GNP is 5.5 times greater" than in 1913. We believe the data of American statistics on the increase of 450 percent in the U.S. GNP even though, according to strict current criteria which take improvement in product quality and the emergence of fundamentally new types of products into consideration, it is completely possible that the actual increase was even slightly higher. But why does the magazine ignore the official data of Soviet statistics on the 68-fold increase in Soviet national income?¹⁵ We appeal to the professional conscientiousness of American experts and ask them to answer this question.

As we have already mentioned, it is not the indicator of the GNP that is recorded in Soviet statistics, but the functional indicator of final production results that is closest to the GNP--national income. Their growth rates virtually coincide, although the growth rate of the GNP has, as a rule, even surpassed the growth rate of national income somewhat for a long period of time. No matter which of the two indicators we use, however, (in our opinion), production growth rates and volumes of national production in the USSR and the United States can be compared in terms of both indicators), one fact is indisputable: Over a long period of time, the economic growth rate of a large industrial nation, calculated in terms of cost estimates (in constant prices), can easily be verified by the dynamics of steel smelting in natural terms since steel represents the most important construction material in the production of any industrially developed country.

The amount of steel smelted in 1913 was 28 million tons in the United States and 4.3 million in Russia--or 15 percent of the U.S. level. In 1976 the figures were 120 million tons in the United States and 145 million in the USSR--or 121 percent of the U.S. level.¹⁶ Consequently, steel production grew by 4.3 times in the United States and by 34 times in the USSR within a period of 63 years. We know that the increase in steel output has lagged behind the increase in total production volumes: by 1.3 times in the United States (5.5:4.3) and by 2 times in the USSR (68:34). This is completely natural if we consider, in the first place, that the GNP and national income include not only the products of ferrous metallurgy but also the outputs of machine building, the chemical industry and other branches which have grown much more than the steel output during this same period and, in the second place, that cost indicators, in contrast to natural indicators, partially reflect improvements in product quality (when they are calculated in terms of constant prices).

But if the economic growth rates of the USSR and United States, calculated according to changes in national income or in the GNP, surpass and should surpass the growth rates of steel smelting, then the statement about production growth of only 650 percent in the USSR (the "Russian GNP")--that is, on a scale much lower than the growth rate of steel smelting--is absolutely ridiculous.

In its competition with capitalism, socialism has the advantage of planned (on a nationwide scale), stable and crisis-free economic development. Its production relations fundamentally change the conditions of technical progress, eliminate the unemployment that is inherent in the capitalist process of new technical advances, promote a rise in the cultural and technical level of the workers and consistently focus the attention of scientists and the production system on the major areas of technological progress and economic development. In contrast to the Soviet Union, no industrially developed capitalist nation with a complex economy can ensure high and stable rates of economic growth for any length of time.

The national income of the USSR increased 68-fold, fixed productive capital in the national economy increased by 34-fold and the industrial product increased by 145-fold during the 1913-1977 period. On the whole during the years of Soviet power, state and cooperative enterprises and organizations have put fixed capital with a value of almost 1.6 trillion rubles (in estimate prices for 1 January 1969) into operation.¹⁷ During this entire long period of time, the growth rates of all major economic indicators in the USSR have significantly surpassed the growth rates of analogous U.S. indicators. This has also been characteristic of the postwar decades (see Table 4).

Table 4

Average Annual Growth Rates for 1951-1976, %

	USSR	United States
National income	8.0	3.4
Industrial product	9.4	4.2
Agricultural product	3.4	1.6
Freight turnover of all types of transport	8.1	2.2
Capital investments	9.0	2.6
Productivity of public labor	6.8	2.3
Productivity of labor in industry	6.1	3.5

"Narodnoye khozyaystvo SSSR za 60 let," p 97.

Even if we look at the last few years, when the rates of economic development in the USSR have been slightly lower than they were in the 1960's and 1950's due to the emphasis on intensive factors of economic growth and the accelerated processes of intensification and technological progress, Soviet production growth rates are still higher than U.S. rates. This can be judged, in particular, by the average annual rate of increase in the industrial product during the 1971-1976 period--7 percent in the USSR and only 3.1 percent in the United States.

American economic development, on the contrary, is extremely uneven; production upswings inevitably alternate with declines and crises and the total graph of growth rate indicators resembles the temperature curve of a feverish patient. During the period between 1860 and 1970, industrial production in the United States decreased or stayed in the same place for 32 years and evinced a state of growth for 68 years.¹⁸ During the last economic crisis alone (November 1973-May 1975), industrial production in the United States decreased by almost 14 percent. According to congressional economic experts, the losses directly caused by this crisis alone amounted to at least 400 billion dollars--that is, approximately 25 percent of the 1975 GNP.¹⁹ If we add the constant losses, typical for capitalism, caused by the incomplete use of production resources (facilities and manpower), the total losses of this kind over the period of the crisis would be much greater. This reminds us of Lenin's statement that "capitalist production can only develop by hops, two steps forward and one step (and sometimes the entire two) back."²⁰

In their attempt to belittle the significance of Soviet successes in economic competition with the United States, the USSR's enemies in the West frequently allege that our nation would have achieved at least as much even without a socialist revolution. Let us imagine for a moment that the economic growth rates of our nation, under capitalist conditions, had been the same as in the United States over these 60 years (we must remember that the rates of development in tsarist Russia in 1860-1913 were lower than in the United States). This means that Soviet national income would now be less than half of the U.S. figure and the industrial product of the USSR would be approximately 16.5 percent of the U.S. product, and not the actual figures of 67 percent and 80 percent respectively; in addition, the percentage accounted for by the USSR in world production would also be much lower than it actually is.

In this connection, we must remember--and American experts on the Soviet economy should take this into account--that American imperialism did everything possible to impede and complicate the development of our nation. During the postwar period alone, the Soviet economy has been subjected to the trials of the cold war, an embargo on trade with the developed capitalist countries, particularly the United States, and an arms race which has been forced on us and which has diverted considerably amounts of resources from vital areas in which the use of these resources would have a significant economic impact in the interests of not only the Soviet people but also of all mankind. But we have withstood all of these trials and we are still confidently marching onward in our competition with capitalism.

In general, the economic competition between the USSR and the United States cannot be simplified or interpreted formally without consideration for the historical past and a number of objective conditions having a long-range effect on this process. This is not only in reference to the low initial Soviet level in the production of most commodities--the level on which the competition was begun, or to the bloody and destructive wars which were forced upon us, which were fought on our territory and which caused us to

regress for many years each time. Consideration must also be given to the specific difficulties of socialist construction connected with the total eradication of the existing economic and production structure. We settled the important question "Who will win?" We solved the problem of eliminating capitalist elements, we ensured the total economic and financial independence of our nation and we survived technological and military rivalry with the United States. Consideration must also be given to the vast territorial dimensions of our nation, requiring colossal investments in urban development and the construction of an infrastructure (transportation, communications and supply operations) and the necessary means of national defense at a time when influential imperialist circles are not even concealing their aggressive plans in regard to the USSR. We have also had to spend huge amounts in connection with the fact that the USSR is the target of many American military bases that are not located in the United States, but on the territory of other nations, in direct proximity to Soviet borders. Consideration must also be given to the difficult conditions in the East of our nation, for which we cannot be blamed and which have naturally put the entire Soviet population on guard. Consideration must also be given to the errors committed during the course of our development, which have been of an objective (we were the first to travel the uncharted path of socialist and communist construction) and subjective nature. Despite all of this, the Soviet Union is taking the initiative in the economic competition between the USSR and the United States and the levels of economic development of both nations are being equalized.

At present, it is no longer only average annual rates in the USSR that are higher than in the United States, but also the absolute increase in production (see Table 5). As a result, the "yield" of each time period has increased, accelerating the USSR's progress in its competition with the United States.

Over the entire 60 years, the objective need for fundamental changes in the structure of the Soviet economy largely due to the actions of aggressive external forces has caused the rates of increase in the production of the means of production to be much higher than the rates of increase in the production of consumer goods. During 1913-1977, the output of industrial means of production (group A) increased 348-fold while the output of consumer goods (group B) increased 45-fold. As a result, the proportion accounted for by group A in the total industrial product rose from 35 percent in 1913 to 74 percent in 1976.

In recent years, the proportion accounted for by group A in total USSR industry has virtually been stabilized by the effect of factors contributing to the greater efficiency of means of production. Today, as never before, there is an objective need for the optimal correlation not only between groups A and B in industry, but also between subdivisions I and II of national production as a whole. We know that these proportions have remained virtually unchanged for several decades now in the United States; this has been the result of improvements in the quality of machines and equipment, the intensification of production and the provision of greater incentives for the manufacture of new types of consumer goods to satisfy growing

public demands.²¹ The Soviet Union is also now entering a period during which its significantly increased economic and technological potential and the gradual transition to intensive methods of economic management are permitting guaranteed further economic development without a noticeable increase in the proportion accounted for by the means of production through improvements in their quality, their more economical use and the incorporation of more efficient production processes. High rates of production growth will be maintained in the USSR during the Tenth Five-Year Plan and will continue to substantially exceed U.S. economic growth rates.

Table 5

Average Annual Rates of Increase and Absolute Increase
in Major Types of Industrial Production, 1971-1976

	Average annual rate of increase, %		Average annual absolute increase	
	USSR	United States	USSR	United States
Petroleum	10.6	1.6	18.5 million tons	5.1 million tons
Natural gas	16.7	4.5	11.3 billion m ³	14.4 billion m ³
Coal	3.7	0.7	15.3 million tons	3.9 million tons
Cast iron	6.8	1.2	3.3 million tons	0.8 million tons
Steel	6.6	1.1	4.5 million tons	1.2 million tons
Cement	10.1	2.4	4.4 million tons	1.2 million tons
Mineral fertilizer	11.8	6.0	0.8 million tons	0.5 million tons
Electric power	10.1	6.7	39.2 billion kilowatt-hours	68.9 billion kilowatt-hours
Leather footwear	5.0	- 0.1	20.1 million pairs	- 0.9 million pairs
Granulated sugar (domestic-grown)	3.5	2.7	140,000 tons	116,000 tons

"Narodnoye khozyaystvo SSSR za 60 let," p 105.

At the same time, we cannot say that we are satisfied with the present level and rates of rise in the efficiency with which production resources are used in our nation. Labor productivity throughout the Soviet national economy constitutes approximately 40 percent of the U.S. level, including productivity of slightly over 55 percent of the U.S. level in industry and of more than 65 percent of this level in construction.²² The labor productivity of basic

industrial personnel, however, is almost equal in the two countries and most of the existing difference in productivity levels is connected primarily with auxiliary personnel, who account for a much higher percentage in the total industrial labor force of the USSR than in the United States, while the degree to which production facilities are equipped with means of "small-scale mechanization" is much slower. All of this is due to the fact that the level of production specialization is still lower in the USSR than in the United States and this also has its own deep historical roots.

In our opinion, the material-intensiveness of production plays a singular role among parameters of production efficiency. With our tremendous natural reserves of raw materials, we distribute them among branches and enterprises at extremely low domestic prices in accordance with the plan for material and technical supply and generally use much more of these materials per unit of final product than the United States. Although our steel smelting output is 21 percent higher than that of the United States and our output of cast iron is 32 percent higher, we produce approximately 20 percent less industrial commodities and, therefore, the metal requirements of Soviet industry are respectively 50 percent and 65 percent higher than the U.S. level. With equal capital investments in the national economy, we generally produce a much larger quantity of construction materials, primarily reinforced concrete, cement, brick and roofing materials. In other words, just as in the case with ferrous metals, we are still producing more of the traditional and heavy-weight raw materials and less of the rolled light-weight metal products and contemporary light-weight construction materials.

These aspects of production efficiency are closely connected with the present level of industrial maturity in the economy and the level of production standards. Industrialization has been going on longer in the United States. The traditional manpower shortage over many decades in the past not only increased the cost of labor, which became one of the most important factors contributing to immigration, but also gave employers an incentive to use new equipment (and technology) which could replace manpower and guarantee a higher return on capital. But we also know that America frequently uses raw materials inefficiently and uneconomically.

At present, the USSR is ahead of the United States in reserves of many types of productive resources. This is true of the size of its labor force, resources of many types of minerals and the size of the machine tool inventory. Over this relatively short period of time, however, we still have not been able to achieve the United States' level of industrial development and production standards and we still cannot say that we have learned to manage our economy efficiently enough. Within the near future, however, fundamental changes will be made in this area, since the appropriate indicators and stimuli are gradually being introduced into the planning system for the purpose of greater efficiency and since the communist party and economic agencies are giving this matter increasing attention. Our nation still has tremendous reserves for greater production efficiency--reserves which have already been largely exhausted in the United States.

An Inquiry Into the Public Standard of Living

A great deal of space in the U.S. NEWS AND WORLD REPORT articles is taken up by comparisons of individual aspects of the public standard of living in the USSR and the United States. The conclusions of this journal have been reprinted almost in their entirety in L'EXPRESS, which has only added some extremely uncomplimentary remarks about the Soviet Union.

The public standard of living is largely determined by food consumption, and this is closely connected with agricultural production, which is still limiting the rise in the real level of consumption in the USSR to a certain extent. The American magazine avoids any specific discussion of this matter.

The average annual yield of grain in the USSR in 1976 and 1977 was over 200 million tons (in comparison to 182 million in 1971-1975) even though the year of 1977 was not completely favorable in the climatic sense. The new plan calls for the production of 220 million tons of grain, 7.5 million tons of sunflowers, 96.2 million tons of sugar beets and 8.5 million tons of raw cotton this year.

We should remember that the nation's grain yield in 1913 was 86 million tons. Part of the grain was exported, but this was not at all due to the fact that agriculture was being conducted efficiently or that there was a surplus of grain. The nation was extremely underdeveloped technically and, for this reason, needed to find some source of foreign currency to pay for imports of machines. For this reason, grain was exported to the detriment of the public standard of living. Large-scale measures are now being instituted to raise the technical equipping of this branch and production standards and efficiency to an even higher level. Annual capital investments total an average of around 30 billion rubles, and in 1977 agriculture was supplied with 364,000 tractors, 265,000 trucks and 101,000 grain combines. If we compare the 1909-1913 period to 1971-1975, we can say that the average annual total agricultural product is now three and a half times greater, the yield per unit of agricultural land is twice as great and the yield per worker is 6.2 times as great. The per capita agricultural product has increased by 120 percent while the number of consumers per agricultural worker has risen by 180 percent.²³

At the same time, there is still a perceptible grain shortage. The USSR is importing a certain quantity from the United States and some of the other capitalist countries. According to official data, imports totaled 15.9 million tons in 1975 and 20.6 million in 1976.²⁴ They accounted for only 8-10 percent of the total grain used in the nation and will be made necessary for some time by the fact that we still do not have enough resources to supply the cattle herd with fodder. This, in turn, is connected with the inadequate output of fodder grain (for this reason, it makes up the larger part of all imports), the inadequate development of the combination fodder industry and the much greater demand for grain for technical purposes than in the United States. At present, more than half of all the grain used in our nation is used in animal husbandry, and only 30 percent of this quantity is processed for the production of combination fodder.²⁵ Besides this, we do not wish to

economize in the same way as tsarist Russia. Grain has traditionally been our major food product. Finally, it is frequently more beneficial for us in the economic sense to import grain to satisfy the needs of remote regions in the nation's East than to transport it over such great distances, which requires the expenditure of vast amounts of resources and utilizes the capacities of our already overloaded railway lines. The Soviet Union is also exporting grain, rendering the necessary assistance to the fraternal socialist countries and some of the developing states which are fighting imperialism for their genuine independence. We are progressing toward the complete self-sufficiency of our nation in this area, and the grain situation will change radically when future plans are implemented.

The American magazine also declined to make the necessary comparisons of Soviet and U.S. real income levels and standards of living and, instead, presents a comparison of the hours the American or Soviet worker must work in order to purchase a particular commodity. In unison, as it were, with this magazine, the French L'EXPRESS also declines to compare real wages and remarks: "In our opinion, the hours of work required...from a Muscovite or Washingtonian for the acquisition of particular commodities are much more indicative (?)." For example, the statement is made that the worker in Washington works 30 minutes for a pound of steak while the Muscovite works 65 minutes, and the respective figures for other commodities are 7 and 21 minutes for a quart (1.14 liters) of milk, 10 and 9 minutes for a pound of white bread, 4 and 3 minutes for a pound of potatoes, 11 and 23 minutes for a pound of apples, 25 and 106 hours for a man's suit, 47 and 168 hours for a refrigerator, 86 and 780 hours for a color television set and so forth.

Naturally, it would be difficult to verify all of these calculations since, in most cases, there is no indication of the particular model of the commodity or the particular price used as a basis for comparison; there is no indication of the average wage used as a "standard" and so forth. In the first place, however, the source for this kind of information referred to by the American magazine immediately raises suspicions: It turns out that the source is Radio Freedom. To put it mildly, we have the most serious doubts about the scientific conscientiousness of this "source." In the second place, and this is the chief consideration, the approach taken to this kind of comparison is incorrect from the methodological standpoint.

First of all, for some reason, only the nominal wages of Soviet and U.S. workers are taken into account, and social benefits, which make up an important and constantly increasing part of the real income of the Soviet population, are completely ignored. Payments and benefits received by the Soviet population from public consumption funds totaled 99.5 billion rubles in 1977, or 383 rubles per capita. Counting these payments and benefits, the average monthly wage of Soviet workers and employees in 1977 was 212 rubles, of which 155 rubles constituted the monetary wage.²⁶ It is possible that only this latter sum was taken as the basis by these foreign publications for calculating the hours of work required for the purchase of goods and services, but this, naturally, is not correct.

We know, for example, that almost all public health services and all education are free in the USSR while the payment for these services is a heavy burden in the family budgets of American workers, considerably reducing their real income. Paid personal services in the USSR are generally much less expensive than in the United States: A subway or bus ticket in New York costs 50 cents while in Moscow it only costs 5 kopecks; the respective figures for other services are 3-4 dollars and 40 kopecks for a ticket to the movies, and 5-6 dollars and 40 kopecks-1 ruble for a man's haircut. Rents are much lower in the USSR than in the United States (one-twelfth as high per square meter of living area), airline tickets are much cheaper and so forth.

The method of comparison chosen by the American and French magazines also does not consider the natural income derived from private subsidiary plots and gardens; new incentives are constantly being provided in the USSR for the development of this kind of farming. We have reason to believe that the percentage accounted for by natural income in the average family budget is much higher in the USSR than in the United States.

Furthermore, this approach also completely ignores the distribution of income and, consequently, the distribution of material goods among classes and social groups in the population. We know, however, as even some American experts have correctly acknowledged (for example, Professor Lynn Terzian), that the standard of living of low-income workers and their families in the USSR is much higher than in the United States, and that we do not and cannot have such great wage and property distinctions as in the United States.

The differences in the consumption levels of various strata of the Soviet society are relatively small, and their criteria are the distribution of income in accordance with the quantity and quality of labor performed and the distribution of various social benefits. In the capitalist society, however, there have always been sharp contrasts in the social positions and income levels of different population strata and groups, and these contrasts are based on class differences. For example, according to OECD data, at the beginning of the 1970's, the richest 10 percent of all families owned the following percentages of national income after the payment of taxes: 28 percent in the United States, 32.5 percent in the FRG, 34.3 percent in France and 25.2 percent in England. According to American official statistics, 20 percent of all American families--the lowest-income group--received 4.8 percent of total personal income in 1960 and 5.4 percent in 1974, while another 20 percent--the group with the highest income level--received 41.3 percent and 41 percent respectively, including 15.9 percent and 15.3 percent for the families in the top 5 percent.

Calculations of average income and consumption levels in the United States conceal the well-known fact that part of the working population here is made up of the highly paid employees of the civil service and large monopolies, top-level managers, the labor aristocracy and so forth. At the same time, a significant part of the U.S. population consists of poor people (there are

now at least 20 million of these), who literally drag out a miserable existence and are even on the verge of starvation. Furthermore, in the capitalist society, this is a chronic and virtually ineradicable phenomenon.

A remark made by famous American economist J. Galbraith is of interest in this connection. In reference to the Tenth Soviet Five-Year Plan, he said: "It is easy to plan an economy which will guarantee a high standard of living for the minority. It is even easy to provide the majority with a satisfactory way of life. A problem only arises when this must be done for all. I feel that this is the chief problem the Soviet Union is trying to solve."

Finally, when the standards of living in different countries are being compared, it is necessary in general to calculate income per worker rather than per family. Comparisons of family income are more favorable for the USSR than comparisons of income per worker since there is a higher percentage of working family members in the USSR than in the United States.

As a result of all of these factors, the average statistical level of the real consumption of goods and services by the Soviet population is approximately half as high as the U.S. level.²⁷ The gap that still exists is the result of historical factors--on the one hand, the low level of economic development in Russia prior to the October Revolution, the wars forced upon the Soviet nation, the subsequent problems in national economic reconstruction, the difficulty of industrializing and developing vast uninhabited territories and several other objective factors mentioned above. On the other hand, the higher level of personal income in the United States is connected with historical conditions favoring its development, which have virtually excluded the possibility of war on U.S. territory for more than 100 years, with the transfer of profits to the United States from the prolonged exploitation of the people of other countries and with the higher level of technical supply and labor productivity. At present, however, we are making up for this lag and are gradually closing this gap.

A rise in public welfare is the main goal of socialist production. Under the present conditions of competition between the two systems, the elevation of the public standard of living has been assigned equal importance with greater production efficiency and more rapid technological progress. The rapid development of productive forces in our nation, L. I. Brezhnev has said, "has made a noticeable shift in the economy toward the fuller satisfaction of the diverse material and cultural demands of the public possible. In other words, the highest goal of socialist production is now being placed directly and immediately at the center of practical party policy."²⁸

In this area, the potential of socialism is quite significant. The real income of workers in industry and construction (with consideration for the eradication of unemployment and the reduced length of the working day) was 9.7 times greater on the average per worker in 1976 than in 1913, while the real income of peasants was 14.1 times greater on the average per worker.²⁹

Tremendous growth is also apparent in calculations for the postwar period. For example, total per capita real income in the USSR was 5.1 times greater in 1976 than in 1940. The main source of this growth was higher wages. At the same time, priority was assigned to the growth of public consumption funds, the value of which rose from 4.6 billion rubles in 1940 to 41.9 billion in 1965 and 99.5 billion in 1977. The average monthly wage of workers and employees, counting payments and benefits from public consumption funds, rose from 164.5 rubles in 1970 to 212 rubles in 1977. During the Tenth Five-Year Plan, the average wage of these categories of workers will rise by almost 17 percent and the income derived by kolkhoz farmers from public farming will rise by 26 percent; payments and benefits from public funds will increase by 30 percent.

The Institute of World Economics and International Relations of the USSR Academy of Sciences has calculated (in comparable form) the growth rates of real per capita income in the USSR and in the major capitalist countries for the 1950-1976 period. During this time, the average annual rise in this indicator was 5.2 percent in the USSR and only 2 percent in the United States, 4.3 percent in the FRG, 3.7 percent in France, 1.7 percent in England and 3.9 percent in Italy.³⁰ Moreover, the significant inflationary rise in prices and the related rise in the cost of living in the capitalist countries during the 1970's prevented any rise in the real income of the workers. For example, the nominal average weekly wage of production workers in the non-agricultural sector of the U.S. economy was 7.3 percent higher in 1976 than in 1975, which signified an increase of only 1.5 percent in real terms (with consideration for rising prices). If we take the absolute reduction in real wages during the period of the last economic crisis into account, the wage level in 1976 was 5.6 percent lower than the level of the pre-crisis year of 1973. Moreover, these data do not reflect the effects of growing unemployment, which is now the situation of around 7 million persons in the United States (a total of 15 million in all of the developed capitalist countries).

The rapid rise in the real income of the population in our country is being accompanied by important advances in the equalization of the wage levels of different categories of workers. The income of low-paid population strata is rising at accelerated rates.

A tremendous amount of housing construction is going on in the USSR. For more than 10 years, more than 2 million apartments have been built annually in our nation. During the 1966-1976 period alone, almost 122 million individuals were provided with better housing, which exceeds the combined population of England and the FRG. While in 1913 the average living area per Soviet urbanite was 6.3 square meters, the figure had risen to 12.1 in 1976.³¹ We know, however, that the housing problem has been, and still is, extremely acute in the United States and in other capitalist countries. Urban crisis and the ecological crisis have become truly disastrous and their eradication is unlikely.

In addition to the issues examined above and other specific issues connected with the real income of the population and with the consumption of material goods, it is particularly significant that the USSR provides its citizens with reliable and constantly expanding guarantees of human existence and the harmonious development of the individual in the form of universal employment, guaranteed wages, social security and so forth. All of these institutions are reinforced in the new Constitution of the USSR and constitute an integral part of the socialist way of life and the new socialist civilization. They reflect the basic and fundamental human rights which are actually exercised in the Soviet society, where the individual has no fear of losing his job or landing in a hospital and no one has the constant fear of being attacked on the street, even in broad daylight, or in his own home. This society has no experience with the alienation and communications gap that are so characteristic of the celebrated American way of life.

Naturally, we should not see the economic competition between the two systems as a process consisting only of our successes, leading directly to capitalism's progressive backwardness in all areas and the automatic weakening of its international influence. Along the long path of this competition, there have been and still could be temporary failures as well as successes. After all, imperialism is not remaining stationary either; it is developing, it is using the opportunities afforded by the technological revolution to a certain extent and it still has several advantages which were provided to it by historical factors as a result of the higher level of labor productivity in the developed capitalist countries, their diversified production infrastructure and the present organization of international economic ties. We must also remember that, in the absolute sense, imperialism's economic strength is now greater than it was during preceding periods in its development.

For decades, imperialism has made repeated overt and covert attempts to reverse the natural course of the historical process, isolate the socialist countries and cause their economic regression. All of these actions, however, have inevitably failed. Socialism has demonstrated the consistent growth of its economic strength and technological potential and its political and ideological influence in the world. It has conclusively proved that it is capable, even within the lifetime of a single generation, of not only overcoming the age-old backwardness of the nation but also of solving many problems which are of vital importance to the working masses and which capitalism is totally incapable of solving.

Each time we encounter the tendentious, nonobjective and malevolent attempts of bourgeois propaganda to belittle the achievements of the USSR and to convey the impression that socialism is an "inefficient society," we remember V. I. Lenin's words: "The capitalists and the capitalist press are creating a stir; this is who is 'making as much noise as possible,' trying to drown out every other voice, making it impossible for the truth to be heard, drowning everything else out with a torrent of swearing and yelling and making businesslike explanation impossible."³² These methods became hopelessly obsolete long ago

and they do not produce any results. Serious dialog and genuinely scientific comparisons are needed. Only this approach can be used in illustrating the actual state of affairs, particularly in an area as complex and multifaceted as the economic competition between the two systems.

FOOTNOTES

1. V. I. Lenin, "Poln. sobr. soch." [Complete Collected Works], vol 34, p 155.
2. KOMMUNIST, No 1, 1978, p 32.
3. In addition to national income, the GNP is an important indicator of general and absolute production volumes, or the final results of national production for the year. It is equal to the sum of national income and the amortized portion of fixed capital for the year. The ratios between the two indicators for different countries almost coincide and their growth rates also almost coincide. For this reason, in several places further on in the article wherever it is necessary to compare the volumes and dynamics of Russian and U.S. national income, as well as Soviet and U.S. income, we will use the correlation between GNP indicators without fearing too much error. Here, it is necessary to distinguish between the American and Soviet concepts of national income: According to the American interpretation, it includes the value of the net product of branches of physical production as well as the value of public services; according to the Soviet interpretation, it only represents the value of the net product of physical production.
4. The practice of formally applying data on rates of economic growth in the past to current differences in production volumes, with no consideration for the structural changes that have taken place in production.
5. P. Studenski, "The Income of Nations," translated from the English, Moscow, 1968, p 217.
6. D. Baxter, "National Debts," London, 1871, p 106.
7. S. N. Prokopovich, "Opyt ischisleniya narodnogo dokhoda" [The Experimental Calculation of Public Income], St. Petersburg, 1906, p 35.
8. S. N. Prokopovich, "Voyna i narodnoye khozyaystvo" [War and the National Economy], Moscow, 1918, p 84.
9. M. Fulkus, "Russia's National Income in 1913: A Revaluation," ECONOMICS, February 1968, p 55.
10. P. Studenski, "Methods of Estimating National Income in Soviet Russia," "Studies in Income and Wealth," vol 8, N.Y., 1946.

11. VOPROSY EKONOMIKI, No 11, 1977, p 117; MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA, No 11, 1977, p 146.
12. MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA, No 12, 1976, p 29.
13. V. I. Lenin, Op. cit., vol 23, p 360.
14. MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA, No 11, 1977, p 148.
15. "Narodnoye khozyaystvo SSSR za 60 let," p 12.
16. Ibid., pp 106, 107, 113.
17. Ibid., pp 12, 173, 423.
18. "My i planeta," p 27.
19. SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 1, 1978, p 7.
20. V. I. Lenin, Op. cit., vol 5, p 82.
21. See the article by V. M. Kudrov and L. P. Nochevkina entitled "The Balance Between the Two Subdivisions of National Production" in No 12 of SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA for 1973.
22. "Narodnoye khozyaystvo SSSR za 60 let," p 96.
23. VOPROSY EKONOMIKI, No 10, 1977, pp 70-81; PRAVDA, 18 January 1977; "Narodnoye khozyaystvo SSSR za 60 let," p 155.
24. "Vneshnyaya trgovlya SSSR v 1976 g. Statisticheskiy obzor" [Soviet Foreign Trade in 1976: Statistical Review], Moscow, 1977, p 42.
25. VOPROSY EKONOMIKI, No 11, 1977, p 92.
26. PRAVDA, 22 January 1978.
27. See also, SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 9, 1975, p 26.
28. PRAVDA, 23 January 1977.
29. PROBLEMY MIRA I SOTSIALIZMA, No 11, 1977, p 36.
30. VOPROSY EKONOMIKI, No 11, 1977, p 124; MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA, No 11, 1977, p 148.
31. PRAVDA, 5 September 1977.
32. V. I. Lenin, Op. cit., vol 31, p 217.

TRANSATLANTIC RIVALRIES OVER NUCLEAR ENERGY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 78
pp 33-44

[Article by A. I. Utkin]

[Text] After living with the consequences of the so-called oil crisis for the last 4 or 5 years, the large Western countries have dramatically increased their expenditures on the development of alternative sources of energy, including nuclear power. Nuclear power now occupies a significant place in their energy reserves and its importance is constantly growing. The related rising demand for atomic raw materials, the technology for enriching fissionable materials and various types of nuclear power engineering equipment has led to increased rivalry between the states exporting these commodities on the one hand and to the increased danger of the proliferation of nuclear weapons on the other. Nuclear power engineering has therefore acquired the significance of one of the major political problems in the world today.

This problem has become the object of constant concern and widespread discussion in government circles and among the public in the West. It will affect various sides of public life and has many aspects. In particular, questions have been raised about environmental protection, the best ways of guaranteeing energy supplies, the methods of "burying" radioactive waste and the possibility of using atomic technology for military purposes. Nuclear power engineering, as one of the rapidly developing leading branches, is displaying all of the deformed features that are characteristic of the general problem of technological progress in the capitalist society, namely attempts by monopolies to profit earlier and more than anyone else, with no regard for the dangers that might arise and with no concern for the possible disasters this may cause.

It would be senseless to try to cover the entire complicated group of problems connected with the intensive development of nuclear power engineering in today's world in a single article. We will only discuss some of the political aspects of the competition between the leaders in the nuclear power business in the capitalist world--the United States and their major allies in Western Europe.

The Threat of the Creation of a 'Uranium OPEC'

Most of the capitalist enterprises engaged in the transformation of the energy of nuclear disintegration into electric power are located in the United States and Western Europe: In 1974, 60 reactors were operating in the United States and 57 were operating in the EEC countries; the number is expected to rise to 156 in the United States and 102 in the EEC countries by 1980.¹ In 1976, electric power equal to 49.2 million tons of petroleum equivalent was produced at nuclear power stations in the United States, while the figure was 17.3 million tons in the three major EEC countries--England, the FRG and France.

Nuclear power engineering is one of the few industrial spheres based on the latest technology in which Western Europe has confidently challenged the United States. It is resting on a fairly shaky foundation, however, since Western Europe has virtually none of its own deposits of uranium ore. It relies on imports of uranium, which come mainly from the United States, Canada and Australia. These three countries have 70 percent of all reserves of natural uranium in the capitalist world. According to the Uranium Institute in London, U.S. reserves of uranium ore amount to 430,000 tons, Australia has 430,000 tons and Canada has 189,000 (these are reserves of uranium oxide ore at a price of at least 15 dollars a pound);² deposits of the less rich ores are also located mainly in these three countries. The fourth largest source--South Africa--is conducting a policy of self-sufficiency and has much less influence on conditions in the world uranium market.

The first to impose restrictions in this field was Australia. In 1973, the Labor Government of G. Whitlam prohibited the export of uranium ore. This closed the door to 20 percent of the "moderately guaranteed" reserves of inexpensive uranium.³ On 1 January 1977, the government of P. Trudeau imposed an embargo on exports of Canadian uranium, requiring new guarantees from consumers in regard to the use of fuel and technology only for peaceful purposes.⁴

The United States virtually has a monopoly on supplies of uranium, raw or enriched, to Western Europe. By the beginning of 1976, however, Washington had already set certain conditions to be observed by importing countries, and on 7 April 1977 President J. Carter announced that the U.S. Government would adhere to the practice of refusing to export technology for the enrichment of fissionable materials. In the event that Washington's condition (concerning the non-sale of advanced technology) is violated in transactions with third countries, the United States will be able to cut off uranium supplies.

There is talk in Western Europe about the danger that a "nuclear OPEC," consisting of the United States, Canada and Australia, will be created. The French LE NOUVEL ECONOMISTE reported to its readers that "the United States is striving to preserve the existing international division of labor, which suits its interests best. This system gives large American companies a solid monopoly in the field of nuclear power engineering."⁵ The magazine

noted that Canada and Australia have "ideas close to those of the United States" in this field. According to the TORONTO STAR newspaper, these nations have talked about the engineering of a joint policy setting the rules of the sale of uranium to third countries.

American facilities enrich 92 percent of all nuclear fuel in the capitalist world. Under these conditions, an association of uranium ore exporters would essentially represent a real cartel. The organizational bases for this do not exist as yet, but, as American researchers have pointed out, "the establishment of a formal (OPEC-type) uranium cartel is extremely probable. Uranium reserves, at least now, are concentrated in a few countries. An understanding of marketing advantages can lead to informal action by each of the exporters which will essentially be equivalent to the creation of a formal cartel.. In any situation where there are so few sellers, there are always enormous opportunities for covert cooperation."⁶ Besides this, it is clear that any variant, overt or covert, is aimed primarily against Western Europe with its energy needs and its growing nuclear technology. It is precisely in the Western European countries that nuclear power engineering has been regarded as virtually the only alternative to reliance on imports of petroleum, with its dramatically rising price.

Western Europe's Response

The Western European countries' first reaction to the probability of a uranium cartel was a search for new and independent suppliers of raw materials.

For example, the FRG approached Brazil. At the same time, Bonn began bilateral negotiations with Canada and Australia. West German Minister of Economics H. Friderichs told journalists in Sydney that the FRG "is interested in the expansion of Australian uranium deliveries." Chancellor H. Schmidt was able to talk the Canadian Government into a partial and temporary resumption of uranium ore deliveries.

Energetic steps were taken by France, which established the Urinex Company jointly with its former colonies (in particular, significant reserves of uranium were found in Nigeria and Gabon) to cover part of its raw material needs for nuclear power engineering.

The Western Europeans saw another way of achieving self-sufficiency in substantial research activity and the development of more economical and improved nuclear technology which could increase the efficiency of atomic power stations while reducing their dependence on suppliers of uranium ore. The first steps, which were made for the purpose of surpassing the United States in this sphere of industry, were already being taken at the end of the 1950's, when the French center for the enrichment of uranium ore in Pierrelatte was opened.

The technological improvements now being worked on by the major industrial nations in the West essentially consist, in the first place, in making the combustion of uranium ore in reactors more efficient (the enrichment process); in the second place, in restoring part of the "combusted" ore for re-use (the recycling of uranium and plutonium processed in nuclear reactors will considerably reduce the need for "fresh" uranium raw materials. According to the estimates of a special research group from the U.S. Atlantic Council, the recycling of uranium and plutonium could reduce the demand for raw materials by 35-40 percent)⁷; in the third place, in restoring the uranium ore used in reactors in such a way that the quantity of the restored fuel will even exceed the quantity initially "deposited" in the reactor (reactors of this type are called breeders). This technology is extremely complex and breeders are a thing of the future for most countries.

The United States' major Western European contracting partners--France, England and the FRG--have quite resolutely begun to establish enrichment and recycling plants. The development of this branch of power engineering has been taken over by the governments of these countries, which are mobilizing substantial financial, technical and human resources for this purpose. Mighty efforts have been undertaken in all three countries.

France has a plant for the enrichment of uranium ore in Pierrelatte and recycling plants in Marcoule and La Hague. France headed the organization of EURODIF--a uranium enrichment consortium made up of Italy, Spain, Belgium and, indirectly, Iran. England has an enriching plant in Capenhurst and a large recycling plant in Windscale. In West Germany, an experimental center for the recycling of nuclear raw materials has been operating since 1971 in Karlsruhe. These two nations, together with the Netherlands, make up the URENCO group, which uses a special enriching method. At present, the French-headed EURODIF is leading the competition against URENCO. At the plant in Tricastin, "catching up" with URENCO in terms of the total amount of uranium enriched has been set for 1979, and the amount should be five times as great as URENCO's total output in 1982 (and until the end of the 1980's). The division and rivalry of the major Western European countries have contributed to some extent in weakening their position in the face of changes in the world energy market. In spite of their rivalry, however, the major producers of enriching equipment in Western Europe--France, England and the FRG--have coordinated their research to some extent through their common agency--Euratom.

In the first half of the 1970's, these three countries demonstrated their desire to work together for success in technical competition with U.S. enriching facilities. A French-English-West German association was established--the "United Enriching Company" (UNIREP).

When we speak about prospects for the future, we should note that the France-headed EURODIF intends to pass up its American rival, the ERDA (the Energy Research and Development Administration, which has now become part of the Department of Energy) in terms of total uranium enriched by 1982, and if we

take the total capacities of EURODIF and URENCO into account, then according to the predictions of the Edison Energy Institute, they will surpass their American rival in 1981.⁸

In their energy dispute, the United States and Western Europe have also crossed swords over what is apparently the most promising sphere for the use of nuclear raw materials--the development of breeders.

The United States began the race by building an experimental breeder in 1951. Almost 15 years went by before the second experimental reactor of this type began operating at a nuclear testing facility in Idaho. By this time, the Western Europeans were fully armed: The English started up their experimental reactor in Dounreay in 1963 and the French "Rapsodie" reactor began operating in 1967. In this way, the scientific research foundations were laid; the economic mastery of this method began from these, approximately equal starting positions.

The American side experienced several difficulties with the first of its breeders used for economic purposes--at the Fermi Plant near Detroit. In the 1960's the breeder program in the United States was carried out quite slowly, and failures and disillusionment followed. As a result of this, the commercial use of breeders is not expected before the mid-1990's.

The Western European side, to the contrary, took a step forward in this field. The governments of France, England and the FRG decided to develop breeders. In the mid-1970's, Paris and Bonn signed an agreement on joint research and engineering projects in the field of nuclear equipment. A particularly ambitious program was proposed by France, with emphasis on breeders, since, as Prime Minister R. Barre pointed out, "France has neither oil, nor coal, nor gas." France, he declared, must first reduce its dependence on oil imports. "It will do this by developing its own production of nuclear energy. If France, however, builds electric power stations requiring imports of large quantities of uranium for their operation, it will risk later dependence on uranium imports. For this reason, it has armed itself with this equipment and will try to develop it, since it cannot wait."⁹

As a result, France is now the leader in Western Europe in breeder technology, challenging the United States in this area. By the year 2000, the French hope to derive 40 percent of all of the electric power produced by atomic power stations from breeder plants. The first plant of this kind is operating on the Cap de la Hague. By the mid-1980's, France and England will have breeder enterprises with a capacity of more than 1,000 milliwatts each. The commercial start-up of enterprises of this kind is taking place more rapidly in Western Europe than in the United States.

The Struggle for Markets

The creation of a developed atomic industry is a costly undertaking. According to the planners of nuclear fuel projects in France, the FRG and England, the domestic markets of even the largest Western European countries are not

large enough to cover the cost of complex research and engineering projects to study the methods of enriching, recycling and breeding uranium raw materials. They believe that the overhead costs of atomic facilities can be reduced by expanding the export of nuclear power stations, by building them in third nations and by transferring technical data to third nations. Besides this, expanded exports could allow the Western European nuclear industry to survive its competition with the Americans. This objective seemed completely attainable at first.

The Western European countries joined the United States and Canada in the construction of atomic power stations in third nations on an extremely broad scale. This involved the sale of reactors that were quite simple in the technological sense and the construction of atomic power stations without enriching plants. In time, however, the technology that was sold grew increasingly complex. At present, the United States not only no longer has a monopoly on reactor and recycling technology, but is even lagging behind the other countries in some spheres. France, the FRG and Japan are capable of producing and exporting one or more of the basic elements of the nuclear energy system and can quickly replace the United States in the market. Legally, their actions are not in violation of international agreements. Paragraph 1 of Article 4 of the Nuclear Non-Proliferation Treaty states: "Nothing in this treaty shall be interpreted as affecting the inalienable right of all the parties to the treaty to develop research, production and use of nuclear energy for peaceful purposes."

Therefore, the major developed capitalist countries have already established a relatively independent nuclear industry and plan to take over the export markets so that the production of reactors can be given a stable foundation. The competitive struggle in the markets for nuclear technology is quite fierce and is constantly becoming more intense. For example, seven companies have offered their reactors to South Africa.¹⁰ Just recently (in 1975 and 1976), American and Western European firms fought a fierce struggle for orders from Belgium, Spain, Brazil, Iran, Egypt and a number of other countries. The export of reactors will not only aid in the survival of the atomic industry, but will also signify orders worth billions for the producers of the equipment needed for the production of atomic energy and for the producers of turbines and generators.

Brazil—a nation which might purchase at least 20 reactors during the next 15-20 years—is a characteristic example. Four companies from different nations are competing for this order. This has caused Brazil to announce that the dimensions of its nuclear sector and the need to guarantee reliable supplies of nuclear fuel to this sector make the acquisition of equipment and technology for the enrichment of uranium and the recovery of plutonium desirable. Bonn, hoping to earn up to 10 billion dollars from this transaction, was motivated by strong competition on the part of France to agree to the sale of this kind of equipment and technology, even though they have not been an export item in the past.

The French nuclear industry took revenge by concluding an agreement with Pakistan on the construction of enterprises of this kind.

The FRG's decision to include the sale of technology for the enrichment of uranium and the recovery of the uranium fuel utilized in the nuclear transaction with Brazil (a deal colossal in its volume) evoked a sharply negative reaction from Washington. The United States also objected to France's bargain with Pakistan, since both cases call for the transmission of previously unexported information and technology. The official reason given for Washington's objection was the argument concerning the danger of the creation of military nuclear potential in Brazil and Pakistan. Due to the fact, however, that these agreements promise profits totaling more than 10 billion dollars while the United States is now exporting energy materials and equipment worth a billion dollars a year, observers in the West did not exclude the possibility that Washington was attempting to assist its own monopolies in the competitive struggle with Western European exporters. The United States threatened Pakistan with the curtailment of its annual financial (200 million dollars) and food (500,000 tons of grain) aid if it bought a plant for the regeneration of nuclear fuel from France at a cost of 750 million francs. Strong pressure was also exerted on Paris. Even though France did not cancel its agreement with Pakistan, it did decide in mid-December 1976 that it would refrain from the sale of such plants in the future.¹¹

Nuclear Technology and Nuclear Weapons

It is no secret that the technology for the utilization of the energy of nuclear disintegration for peaceful purposes can be used under certain conditions for the production of nuclear weapons. This danger is apparent to all of the nations exporting nuclear materials and equipment. In February 1975, the United States and six other countries exporting these goods concluded an agreement on the principle of their export policy. In general terms, it states that nuclear equipment must be sold in accordance with the premises of the Nuclear Non-Proliferation Treaty and the rule of the International Atomic Energy Agency (IAEA) and on the condition that the importing nations will not use it for the production of atomic weapons, transmit this equipment to third states for the purpose of plutonium recovery or supply third states with recovered plutonium, which, as we know, can be used for the production of nuclear weapons.

There are already approximately ten plants in five countries which are engaged, at least partially, in the regeneration of the fuel waste of atomic reactors. Plutonium can be accumulated at these plants. The world's nuclear power reactors--around 200 of them--produce close to 20 tons of plutonium a year. Approximately one-third of this quantity is produced in 20 nations which do not have nuclear weapons at the present time. By 1985, these reactors could produce around 45 tons of plutonium a year.

World reserves of plutonium derived as a result of peaceful nuclear programs total approximately 100 tons; the figure will reach 300 tons by 1982 and 500 tons by 1995.¹²

The question of guarantees to serve as reliable safeguards against the possible use of nuclear materials for military purposes by the states purchasing nuclear technology and equipment is one that is giving rise to considerable anxiety in the world community. The need for such guarantees is acknowledged by the nations exporting nuclear materials, equipment and technology, which belong to the so-called "Club of London" (15 nations, including the Soviet Union, belong to this club). In particular, in January 1978 the members of this organization submitted the official texts of the fundamental principles by which they intend to be guided in export transactions involving nuclear materials, equipment and facilities to the IAEA for the purpose of stronger control over nuclear exports.¹³ The main principles are the following:

Guarantees by the importing nation's government that will exclude the possibility of the use of imported nuclear materials in the development of nuclear explosives;

Effective physical protection of the materials and facilities obtained;

The application of IAEA safeguards in regard to the exported equipment in accordance with the basic principles formulated by the IAEA administrative council.

One important principle is the ban on the future sale of plants for the processing of nuclear fuel which would be capable of turning reactor waste into plutonium that could then be used for the manufacture of weapons. The code of regulations includes the demand that all nations ordering new equipment open all of their nuclear facilities to international inspection.¹⁴

It should be noted that these rules have not yet been officially adopted by all of the nations producing nuclear technology. Particularly loud objections have been made by Western exporters of raw materials and nuclear installations.

The Carter Administration's Approach

The American Administration that has been in power since 1977 drew attention to the fact that the proliferation of nuclear energy for peaceful purposes and the proliferation of nuclear weapons are two closely interrelated issues. Even before his inauguration, J. Carter requested the CIA for information on the particular nations which were planning to develop nuclear weapons or were capable of developing them.

J. Carter made the first official statement on the new American policy in this area on 7 April 1977: "There is no more complex issue at the present time than the one connected with the use of nuclear energy,"¹⁵ he said. The President announced the new principles of U.S. policy in the area of

nuclear technology. The statement mainly consisted in a reaffirmation of the decision to curtail the use of nuclear technology based on plutonium since it constituted the chief component of many types of nuclear weapons. J. Carter announced that the United States would limit the development of the Clinch River breeder program and called for a 2-year moratorium on breeder development projects. Addressing the states of Western Europe directly, the American President expressed the hope that they would join the United States in impeding attempts at the development of this kind of technology.

The United States, in the President's words, will look for a "more perfect" approach to the next generation of nuclear power stations than the approach based on the plutonium cycle and the plutonium breeder. The President proposed a cut in the allocations for the existing breeder development program and the postponement of the commercial use and regeneration of plutonium for an indefinite period of time.

World deposits of uranium are so vast, J. Carter declared, that there is no urgent need for the commercial use of reactors (breeders) or for the use of plutonium as fuel in thermal reactors.

J. Carter's statement gave rise to confusion in the Western European countries. Although they are competing with the United States in the field of nuclear technology, they depend directly on American raw materials and, consequently, on American nuclear policy. Their indisputable achievements in the production of perfected systems and advanced technology cannot conceal the simple fact that Western Europe's uranium, both in relatively crude form and in enriched form, comes mainly from the United States. By exercising total government control over the sale of radioactive substances, the American political leadership can have a direct effect on the establishment of the Western European nuclear industry. Most of the nuclear reactors in the capitalist world, particularly since the embargo announced by Australia and Canada on exports of raw materials, operate chiefly on uranium acquired from the United States in accordance with special licenses, and even after its use, the fuel cannot be transmitted to another nation for purposes of storage or regeneration without the special permission of Washington. This also applies to the used fuel of the nations which have concluded deals with England and France. Washington's decision to restrict access to nuclear energy touches directly and substantially on the interests of all of the large Western European nations.

J. Carter's program has evoked the most serious crisis of recent years in U.S. relations with the FRG. In January 1977, Vice-President W. Mondale was already in the FRG, attempting to force Bonn to abrogate its agreement on the export of nuclear technology to Brazil.

The West German side was extremely cautious in discussing this matter; it promised to institute stronger control over the use of equipment exported from the FRG. As the American emissary was told, however, the development

of nuclear power engineering is of exceeding significance to the FRG, which is third after England and France in the production of nuclear energy in Western Europe. According to preliminary estimates, half of all of its electric power will be produced at atomic power stations by 1985. With its 12 operating nuclear power stations and its great export prospects after the transaction with Brazil, the West German nuclear industry could successfully compete with other countries. But Bonn, just as Paris before it, could not totally ignore American pressure. In the middle of March 1977, FRG Minister of Foreign Affairs H. D. Genscher made an unplanned visit to Washington.¹⁶ In its official statement, Bonn called for restrictions on the proliferation of nuclear weapons through the elaboration of an "international non-discriminatory restrictive agreement" on the peaceful use of nuclear energy, but objected to the resolution of this problem by means of restrictions in the field of technology. The FRG Government again frustrated Washington's attempts to force it to abrogate its agreement with Brazil. It announced that this agreement envisaged sufficient guarantees against the use of the equipment for military purposes. Bonn asserted that the American Government, in trying to limit the proliferation of nuclear weapons, was ignoring the needs of countries less equipped than the United States with energy resources.

The West German Government announced that it would continue to work on its plans for the construction of a large plant for the regeneration and storage of nuclear fuel in the South of the FRG. Moreover, the FRG and France signed an agreement on industrial improvements in the construction of breeders.¹⁷ In an interview printed in the French newspaper LE MONDE, Federal Chancellor H. Schmidt advanced two arguments in favor of the regeneration of uranium: firstly, the possibility of deriving much more electric power through recycling and, secondly, the possibility of storing the products of nuclear disintegration in such a way that they would not endanger the environment or the population, which is particularly important in the densely populated regions of Western Europe.¹⁸

The American initiative was responded to with even more suspicion in France. While official French sources deliberately underscored J. Carter's "understanding" of the fact that the energy objectives of other nations might not make it possible for them to follow completely in the footsteps of the United States, commentaries in the press were much more frank. LE FIGARO described Carter's policy as a "new Concorde" and as an attempt to put an end to competition at a time when French equipment (this was in reference to breeders) had turned out to be better than American equipment. LE NOUVEL ECONOMISTE reported that Washington would not hesitate in applying the necessary pressure and that it had extremely great opportunities for this. For example, an article pointed out, "Japan must request the United States for permission to process its radioactive fuel at the French plant in La Hague or the English plant in Windscale; Washington can even block the start-up of the Japanese plant for the regeneration of radioactive fuel that was built with the assistance of France" (it should be noted that a special White House message to the Japanese Government dated 19 December 1977

declared that the United States intends to make sharp cuts in sales of highly enriched uranium with only a few insignificant exceptions). Superpower generators and power stations of the new 1,200-millowatt "Super-Phoenix" type "will die a natural death if the United States takes steps to restrict their use to the French market."¹⁹

The French state commissariat for atomic energy sensed impending danger. The contract with Japan would allow France to become the world's leader in the industrial regeneration of fuel irradiated in atomic power stations. It envisages deliveries of 1,600 tons of nuclear fuel regenerated at French plants from 1982 on. The French hoped that it would soon be followed by orders from other countries--the FRG (more than 1,000 tons), Sweden (600-700 tons), Switzerland, Austria, Finland, Holland and Belgium. If these countries sign a contract with France or Great Britain, however, they will thereby be acting partially in contradiction to the policy now being recommended by the American President in regard to regeneration. Paris has decided to firmly defend its own interests in the fields of nuclear power engineering. In September 1977, Minister of Foreign Affairs Louis de Guiringaud reaffirmed France's intention to fulfill its contract on the sale of a plant for the regeneration of nuclear fuel to Pakistan.

England's position was of extreme importance to the United States. Washington evidently hoped for more "understanding" from London, which had been working with the Americans in the nuclear sphere since World War II. England's Western European neighbors were also quite interested in learning the reaction of the Callaghan Government; England could either reinforce or undermine the Western European front. After a frank statement by D. Owen, England's secretary of state for foreign and commonwealth affairs, (on 19 May 1977) Great Britain declined to take an active part in the discussion of Carter's proposal. Owen's statement, which "delighted," according to the FINANCIAL TIMES, "the French and West Germans," said that an effective policy directed against the proliferation of nuclear weapons "must go hand in hand with an effective energy strategy."²⁰ Owen left no doubt in his listeners' minds that, in his opinion, the American proposal did not meet this requirement.

The problems connected with the United States' new nuclear policy became one of the main points of discussion at the London meeting of the leaders of the seven most highly developed capitalist countries on 7-8 May 1977. Serious conflicts between the United States and Canada on one side and the nations of Western Europe on the other became apparent at this meeting.

In its report on this private meeting, the American NEW YORK TIMES stated: "Participants in the conference could not officially agree upon restrictions on future exports of 'dangerous' materials because West Germany and France were standing in the way of this.... Although American officials with some connection to nuclear policy-making have found some cause for reassurance in the Bonn and Paris governments' public statements that they are not planning new transactions involving deliveries of nuclear technology, the Americans are still powerfully disillusioned by their failure to convince

either of these two nations to make promises to this effect in writing."²¹ Although Washington made a great effort, it still could not exert any more pressure than was possible without disrupting Atlantic solidarity. The Western European countries made it quite clear that they see installations for the enriching of raw materials as a possible way of alleviating the after-effects of the energy crisis.

The only positive gain of top-level U.S. officials was the agreement of Western leaders to the idea of a "task force" to study the ways of reducing the danger of the non-peaceful use of nuclear energy. All concerned powers are to be requested to take part in an experimental international program to assess the total cycle of the utilization of thermonuclear fuel. It is true that, although V. Giscard d'Estaing agreed to compromise and decided to take part in the program, he did this on the condition that, during the course of this research project, "no decisions would be made which might affect existing national programs in the field of nuclear energy." Despite American restraint, the French council on foreign nuclear policy reaffirmed the fact that "France is willing to satisfy the interests of nations requiring nuclear energy for their development and will assume full responsibility for the risk of the proliferation of nuclear weapons."²²

Canada is playing an important role in the dispute of the "Atlantic" allies over nuclear energy problems. In September 1974, when the energy crisis entered its most severe phase, the Canadian Government announced the two purposes of its uranium policy: to guarantee at least a 30-year reserve of nuclear fuel for national atomic power stations and to guarantee a sufficient quantity of uranium fuel for a Canadian atomic power station program of maximum scale. For the world market, this virtually signified that almost 50 percent of Canada's uranium resources were not subject to export and that Canada would totally cease to export uranium ore by the end of the 1980's."²³

To a certain degree, Canada's actions alleviated American pressure by forcing the Western European countries and Japan to search for a way out of their energy difficulties by turning to the industry processing nuclear fuel waste.

J. Carter's idea did not meet with a unanimous reaction in the United States either. On the contrary, the largest U.S. companies producing nuclear materials and equipment, the leaders of which are Westinghouse, General Electric and Babcock and Wilson, have energetically defended their own interests in 1977 and 1978. These companies export nuclear and energy sources and equipment worth around a billion dollars a year to the world market and are now expanding their sales volume. For example, R. Straus, the American President's special representative at the GATT trade negotiations, informed the Senate Finance Committee on 7 February 1978 that Japan alone could purchase 2 billion dollars' worth of nuclear equipment from the United States.

The American monopolies have displayed some anxiety, fearing that the bill submitted in April 1977 on stronger control over the export of nuclear materials might weaken their position in the competitive struggle with

Western European corporations. The American Nuclear Energy Council sent a memorandum to all of the senators which stated that the passage of this bill could cause American atomic monopolies to lose foreign orders worth 10 billion dollars. The atomic industry lobby headed by Senator J. McClure (many enterprises of this branch are located in his native State of Idaho) introduced more than 30 amendments to this bill. In February 1978 the debates on the bill came to an end.

The act passed by both houses and signed in March 1978 by President J. Carter defines the conditions of the export of U.S. nuclear materials and technology. In particular, it envisages restrictions on the transmission of technology for the enriching and regeneration of nuclear fuel to countries which have not given their consent to international restrictions.²⁴ At the same time, however, the act gives the President the right to make exceptions to the general rule.

Therefore, a complex and potentially disturbing group of problems connected with nuclear power engineering has taken shape in U.S.-Western European relations.

Now that it is lagging behind in the development of the technology for the regeneration of processed fuel and the construction of breeders, the American side is trying to stop the development of these progressive branches in the Western European countries. Washington is applying massive pressure, using many means and methods of persuasion, up to the point of open threats. The United States' position is characterized by two elements--the desire to restrain its competitors and the real fear of the possible proliferation of plutonium resources, which could threaten the proliferation of nuclear weapons. (According to the estimates of the U.S. Atlantic Council, the resources of more than 30 nations which have not signed the Nuclear Non-Proliferation Treaty allow, in principle, for the development of atomic weapons.)

The American offensive of 1977, however, misfired before it gained full momentum. France and the FRG promised to display restraint and to not increase the number of their clients for their enriching and regenerative technology, but they simultaneously stood up for their previously signed contracts with Pakistan and Brazil. The United States was not able to force the Western European countries to reject their plans for the development of breeder plants, and England and the FRG will evidently be joining France in this area within the next few years. Washington was able, however, to slow down the implementation of these plans somewhat by postponing them until the total nuclear cycle had been studied. This was made possible by the fact that the United States and its fairly close Canadian and Australian allies dominate the uranium fuel market. Western Europe will not be able to escape this dependence within the near future.

The test of the strength of the inter-Atlantic competing partners has been postponed until the period following the study of the results of the program which will be carried out for the next few months to assess the nuclear fuel cycle. During the course of this study, various technical problems connected with the extraction, production, storage and use of nuclear fuel will be discussed. Each year, however, nuclear power engineering will become a stronger factor in the economic life of the "Atlantic world" and simultaneously as a source of the danger of the proliferation of nuclear weapons throughout the world. Correspondingly, the political significance of this issue is also growing and the means of its resolution will have a great influence on the future of inter-Atlantic relations.

FOOTNOTES

1. Calculated according to data from "Nuclear Fuels Policy. Report of the Atlantic Council's Nuclear Fuels Working Group," Wash., 1976, pp 72-85.
2. THE FINANCIAL TIMES, 23 June 1977.
3. Ibid., 26 August 1977.
4. For a discussion of Canada's policy on nuclear deliveries, see SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 3, 1978, pp 120-127.
5. LE NOUVEL ECONOMISTE, 18 April 1977.
6. "Nuclear Fuels Policy," pp 55-56.
7. Ibid., pp 26-27.
8. "Edison Electric Nuclear Fuels Supply Study Program," Wash., 1976.
9. LE FIGARO, 28 September 1977.
10. FOREIGN AFFAIRS, July 1976, p 798.
11. LE NOUVEL ECONOMISTE, 18 April 1977.
12. THE NEW SCIENTIST, 21 July 1977.
13. At the same time, the IAEA was issued an announcement by the governments of the USSR and other socialist countries, indicating the need for more extensive control by the agency over all of the nuclear activities of nations not possessing nuclear weapons but receiving supplies of nuclear materials and technology. The Soviet Union, as was underscored in the memorandum on disarmament and the curbing of the arms race which was submitted to the 31st Session of the UN General Assembly on 28 September 1976, firmly supports strict safeguards to ensure that international

cooperation in the peaceful use of nuclear energy will not become a channel for the proliferation of nuclear weapons and advocates improvement in the system of IAEA control over nuclear installations and materials.

14. THE CHRISTIAN SCIENCE MONITOR, 16 January 1978.
15. THE DEPARTMENT OF STATE BULLETIN, 2 May 1977, pp 429-430.
16. U.S. NEWS AND WORLD REPORT, 28 March 1977, p 24.
17. THE FINANCIAL TIMES, 3 July 1977.
18. LE MONDE, 22 June 1977.
19. LE NOUVEL ECONOMISTE, April 1977.
20. THE FINANCIAL TIMES, 22 July 1977.
21. THE NEW YORK TIMES, 5 October 1977.
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NATIONAL COAL STRIKE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 78
pp 45-51

[Article by L. Ya. Mashezerskaya]

[Summary] On 25 March 1978, a national coal strike involving more than 160,000 workers came to an end in the United States. The strike lasted 110 days and represented one of the largest and most lengthy mass-scale demonstrations in the history of the American labor movement. This latest strike was an important link in the chain of the American miners' conflicts with management, in which the workers defended the right of their union to control labor conditions in the mines.

With rare exceptions, there is no modern safety equipment in American mines and no means of providing the necessary ventilation and the necessary protection against cave-ins and explosions. This is the most hazardous branch of American industry, displaying the highest indicators of industrial accidents, occupational disease and fatal accidents. In 1969 a federal law was passed which called for improved safety equipment in the mines. The observance of this law, however, was sabotaged by the mine owners and by the official leaders of the United Mine Workers of America. This gave rise to the so-called "rank-and-file opposition" which culminated in the prolonged strike of 1977-1978.

The mine workers' union has now become a genuinely militant labor union defending the principles of workers' democracy. The morale of the miners, which had been vastly undermined by the corrupt labor bosses of the past, has now been elevated considerably. Each collective bargaining session is now preceded by an intensive strike movement. These strikes have brought the miners many important victories, but their main significance has consisted in their evocation of nationwide labor solidarity.

The latest strike attracted the attention of the entire nation. The coal shortage affected many branches of production and cut off the power supply in many cities. The governors of several states requested President Carter to intervene in the miners' struggle. A propaganda campaign was waged

against the strikers. In spite of all this, the American labor movement defended the strikers. The progressive press commended their heroic actions and more than 250 labor unions formed a coalition to collect funds for the strikers. Although the contract finally agreed to by the coal miners did not reflect all of their demands, their lengthy strike was an impressive demonstration of their desire to defend labor unions as strong and influential organizations capable of resisting the pressure of capital.

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YEAR OF LABOR CONFLICTS

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[Article by N. K. Setunskiy]

[Summary] According to the data of the Department of Labor's Bureau of Labor Statistics, there were 5,600 strikes in the United States in 1977. These strikes involved 2.3 million workers and resulted in the loss of 36 million working days. The structural characteristics of the 1977 strike movement were the following: 47 percent of all strikes were in the processing industries; the largest of these was the strike of 43,600 glass industry workers; the most massive strike last year was the national coal strike, involving 160,000 miners and resulting in the loss of 1.33 million working days.

The main reason for most of the strikes in 1977, just as in previous years, was the desire of the workers to protect their standard of living against inflation and compensate for the rise in the cost of living. The Bureau of Labor Statistics stated in its annual report that changes in wages were the reason for 62 percent of all strikes. At the same time, there was a rise in the percentage of labor demands having no direct relationship to wages. These were mainly connected with guaranteed employment, labor conditions and the rights of labor organizations.

One of the distinctive features of the strike movement of 1977 was the greater length of individual strikes, attesting to their intensity: 37 percent of them lasted more than 30 days. There were more "wildcat" strikes in 1977. This testified to the fact that union members have begun to ignore the instructions of labor bosses. Another distinctive feature of the strike movement of recent years has been the growing activity of civil servants in this sphere. This tendency became even stronger in 1977.

More frequent government intervention in strikes also attests to the greater intensity of labor conflicts. This applies to federal mediation services as well as to overt intervention in strikes for the purpose of prohibiting or preventing them. Last year, some important strikes were prohibited on

the grounds that they were "illegal." When the labor unions declined to recognize these prohibitions, they were accused of "contempt of court." This threatens labor organizations with large fines and their leaders with prison terms. Police action has recently become one of the chief methods used in the suppression of strikes.

The labor movement suffered severe failures in the legislative sphere in 1977. Antilabor groups in Congress put up such stubborn resistance to the Humphrey-Hawkins Bill that the final variant represented, as the DAILY WORLD put it, "only a ghost of the original." The House of Representatives rejected a bill envisaging the creation of a federal agency to protect consumer interests and impose some restrictions on corporate machinations. The House also rejected a bill which unconditionally sanctioned the picketing of construction sites.

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SEEKING A WAY OUT OF THE LABYRINTH OF 'POLICY OF STRENGTH'

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 78 pp 59-64 LD

[Article by S. I. Beglov]

[Text] The detente process continues to cause considerable activity in U.S. "brain trusts" which serve Washington's foreign policy needs and represent the most influential groupings within the country's ruling class.

The overt or thinly disguised opponents of detente have pooled their efforts, particularly in a collective work (with a preface written by former defense secretary, now Energy Secretary J. Schlesinger) whose title speaks for itself: "In Defense of America. On the United States' New Role in the World Since Detente." The authors' position is based on the "argument" that detente only serves to "stimulate" the Soviet Union's foreign policy, and hence the United States should inevitably return to positions of "curbing" "Soviet expansionism."

The same spirit pervades the publications of the recently set up "Committee on the Present Danger," which comprises many former highly placed officials and retired military men.

The detente supporters are urging a different approach: the utilization of all constructive opportunities for collaboration between the USSR and the United States and between states with different social systems in general. They issue resolute and valid warnings that the desire to torpedo detente and continue the arms race is a threat to U.S. interests and to internal security. As an example of this approach one could name the well-known book "Cloud of Danger" by the very experienced diplomat and historian G. Kennan.

At the same time, a number of well-known American political scientists and certain influential publications, intended for foreign policy specialists, continue to attempt a comprehensive analysis of new trends in world politics aimed at correcting the theoretical bases of the United States' global course

in the light of these trends. Here one's attention is drawn to a series of articles published in the final 1977 issue of the journal FOREIGN AFFAIRS (organ of the Council for Foreign (organ of the Council for Foreign Relations, financed, in particular, by the Rockefeller, Ford and Carnegie foundations; the council is well known as a center for training leading cadres for the U.S. foreign policy apparatus).

They take as the single analytical key the role of the factor of "power" and "might" (note 1) (The English word "power" which they use can be translated in different contexts as "mogushchestvo," "sila" and "vliyaniye") [these words will be translated, respectively, as "might," "power" and "influence"] in relation to different aspects of international relations and U.S. foreign policy. It is well known that bourgeois experts adhere to geopolitical constructions centered on "elements of might." However, life compels the FOREIGN AFFAIRS' authors to extend the framework of the interpretation of these concepts and imbue them with political and socio-economic characteristics which the "hard-liners" have hitherto chosen to ignore.

The journal's editor, W. Bundy (once foreign policy adviser to the American administration and prominent figure in the U.S. intelligence service), tries in his article to stipulate that the "element of might" in world politics cannot have a purely military interpretation and that this concept means not only the parameters of a particular state's physical might but also the ability of any member of the international community to influence the others regardless of its power or size. The author devotes considerable attention to the so-called "new manifestation of the factor of power and influence" in the international arena--the important economic levers in the hands of the oil-producing developing states and other valuable raw materials without which developed capitalist countries' economies cannot survive.

As for the ideological and social factors currently determining the main trends in the development of mankind--the influence of the world socialist system, the international workers movement, national liberation processes and so forth--the author is forced to acknowledge them, but he accompanies this with a desire typical of bourgeois theorists, that is, the desire to squeeze these factors into the conventional concepts of "group politics" or "group elements of might." These attempts are naturally dictated by a desire to formulate the kind of recommendations, correctives and arguments of Washington's global policy needs which will create a better disguise for the imperialist character of U.S. foreign policy and make it "more acceptable," as it were, to the changing world, without changing its content. For example, W. Bundy would be absolutely happy with an evolution of relations between states whereby each nation obtained "satisfaction" from its place in a "universal economic system," leaving it to the leaders of the capitalist world (multinational corporations as well as governments) to decide what is good or what is bad for the rest. The examples of U.S. action in Chile and the actions of the Common Market countries in Portugal give a clear picture of what developmental course is preferred for this kind of "universal system."

However much American foreign policy formulators want to gain for the United States as many conveniences and benefits as possible from the concept of the "pluralist world," soberminded politicians and scholars are aware that there will inevitably be yawning gaps in any constructions of this kind if there is an adequate appreciation of the role played in world politics by the Soviet state and the socialist community and equally by the powerful liberation currents generated by the October revolution in the stream of mankind's development as a whole.

Professor R. Legvold, member of the directorate of the Russian Institute at Columbia University, is the author of another article in which he clearly proceeds on the basis of this concept. He puts forward arguments which effectively reject as invalid and dangerous demands to build relations with the Soviet Union. He is guided by the stereotype of a "military-political colossus" which everywhere challenges the interests of the United States and the "free world." This stereotype, the author writes, for obvious reasons answers the needs and sentiments of the militarists and incorrigible retrogrades. But this "one-dimensional interpretation of the Soviet Union's might" and its role and influence in the world becomes even more flimsy under conditions when "the old norms and characteristics of international relations give way to new ones."

R. Legvold tries to investigate the "true nature of Soviet strength" [moshch] to somewhat alter established ideas. Of course, we inevitably encounter a "ritual" rehash of the key theses of American Sovietology about the USSR's entry into the "imperial phase" of its development and the difficulties which, according to American political scientists, the notorious "pluralist trends" in world politics are creating for the Soviet Union.

At the same time, R. Legvold makes it clearly understood that it is now necessary to abandon the "narrow approach" to the USSR's global role. "The trouble is," he writes, "that we do not know how to assess the strength [oshch] of the Soviet Union. We do not possess a general and systematic set of criteria for judgment." According to the author, when evaluating the USSR's foreign policy strategy, American foreign affairs theorists and practitioners should consider "the relationship between the evolution of world order and the evolution of Soviet might" and also be able to imagine how world problems look through the Soviet Union's eyes. The author does not call a spade a spade. He merely points, and not very directly at that, to the existing realities, citing Soviet pronouncements on the objective of the historical process of the transition from capitalism to socialism, the role and place of the USSR as an integral part of and very important factor in this process of changes, on the change in the correlation of forces in the international arena under the influence of these changes and so forth.

On his own account R. Legvold adds: "We are making a mistake by casting doubts on the force of these ideas and classifying them as tricks of the Soviet regime's self-justification or by rejecting them altogether in the hasty desire to place the 'Soviet Union' problem within the framework of acceptable (to the west--S. Beglov) historical concepts." This results, the author stresses, in many blunders, the chief ones being: First, the framework of world competition ("rivalry") is narrowed to the point of con-

frontation between two powers, and, in this way, the social content of the era is emasculated; second, the entire essence of competition is reduced to the military-political component.

Returning to the interpretation of the concepts of "might" and "power," the author stresses that strength [moshch] and influence are no longer determined merely by the military power component. There is also, he writes, "the ability to modify the elements of international order" and the ability of "the mighty to make compromises"; there is also, to an ever increasing degree, the ability to "control, interdependence."

While manifesting sufficient acumen to be able to see that the course of detente is steadily making progress in world politics, R. Legvold, at the same time, either holds back a lot or prefers in general to avoid sharp edges. Moreover, he is very pessimistic regarding the likelihood of a successful quest and the establishment of the "rules of the game" or norms of detente which make the very process of restructuring international relations irreversible. Particularly noticeable against this background of alternating hopes and uncertainty is his repeated appeal that the "military dimension" of the correlation of forces in the world should not overshadow all the other aspects and prospects of dialog and that detente should be carried over into the sphere where the fate of "arms control" is decided, that is, the military sphere.

Another author, Harvard University Professor S. Hoffmann, incorporates the following factors in his analysis of the reasons why U.S. power in the international arena is limited: The increase in the number of "dramatis personae" on the world stage, the increase in economic 'interdependence,' the growth of the socialist community's strength [moshch], the intensification of the contradictions within American society, the effect of centrifugal forces in the camp of the United States' allies" and others.

Leaving aside the relatively arbitrary order in which the factors are listed, it is important to note the author's indication that they should all be taken into account when weighing the United States' potential for influencing the course of world affairs.

Influence FOR WHAT? This is the key question which, in S. Hoffmann's opinion, makes it necessary for the United States to weigh all the factors of international politics and not to reduce matters merely to the priority of American interests. On the one hand, in the arms race and the threat of nuclear weapons proliferation and, on the other, in what the author calls "manipulations by sides" whose interest are closely interwoven in a "tangle of interdependence," S. Hoffmann can see only one reasonable way to use American influence, namely "contributing to international order."

Just what kind of "international order" is this? The whole experience of the history of the last few decades has demonstrated conclusively enough the bankruptcy of the concept which justified U.S. and other imperialist "power centers" attempts to dictate their will to other peoples. On the

basis of the futility about the "pax Americana" illusion, the author is evidently stressing the need for a POSITIVE American contribution to international affairs in a spirit cooperative not unilateral. The United States, the author writes, "must strive to bring nearer the emergence of an international system which exceeds the confines of the old ways of displaying restraint characteristic of the balance of forces era. In the first place the potential for using force and stockpiling weapons must be sharply restricted." The author advocates the coordination [kooperirovaniye] of states' efforts in arms limitation and the settlement of disputed issues. "Interdependence" (in the economic sphere) must become more tolerable and advantageous for all sides. In the author's opinion, this can be helped by the collective regulation of questions of international cooperation and by a quest for ways of reducing the "costs of inequality." The aim is to give the partners not only a consciousness of greater independence but also a sense of greater security.

The first task on this path, the author goes on, is to protect and support elements of order or, to be more accurate, law and order which already exist in life. According to S. Hoffmann's interpretation, this means consolidating the "elements of restraint" which have already been achieved in the nuclear and economic spheres.

We will not examine the economic sphere here, since the problems connected with it require special analysis. Nevertheless, we would note that any settlement of international economic problems and relations is directly dependent on the assertion of certain political norms in states' relations and that the author himself acknowledges this dependence. Restraint in the nuclear armaments sphere, he writes, must be motivated not only by a desire for self-preservation ("the will to survive," as S. Hoffmann puts it) but also by loyalty to certain commitments ("the development of a sense of duty"). And here the logic of politics is the art of the possible inevitably necessitates a cementing material such as stability in interstate relations. S. Hoffmann is also essentially aware of this necessity.

Thus if it is precisely political COOPERATION AMONG STATES WITH DIFFERENT SOCIAL SYSTEMS which is ultimately meant by "international order"--and this follows from the author's arguments--then there is every reason to call a spade a spade: Within the framework of this logic there ought to be talk of restructuring the entire system of international relations on the basis of the principles of detente and peaceful coexistence.

We would stress over and over again that the stabilization of interstate relations cannot emerge from nothing. It stems organically from the process of the materialization, deepening and extension of detente to every area of the world. Without this process, dynamic development guided along the lines of peaceful coexistence principles, there can be no other kind of international law and order that deserves to be elevated to the rank of a just and genuinely democratic system of international relations. And there can be no lasting peace without such a system.

"Only democratic and just peace can be really lasting peace," L. I. Brezhnev has stressed. "Such a peace must be based not on some kind of poles of force and rivalry, about which it has lately become fashionable in some places to talk, but on respect for the rights, sovereignty and legitimate interests of all countries without exception, whether they are 'large' or 'small' and whether or not they are members of particular political groupings. It is not a matter of learning to manipulate more subtly the so-called balance of forces but of excluding the use of force from international relations. For this it is necessary to unite the constructive efforts of all states."

The transformation of the nature of international relations in this spirit cannot be based on the mechanical combination [soyedieneniye] of states as some kind of abstract quantities in world politics. The main criterion is the sociopolitical system which has been asserted in the countries or community of countries. Hence the leading highway in the restructuring of international relations--the assertion of the principles of peaceful coexistence among states with different social systems. Any "train of detente" or any idea of "world order" which leaves these rails inevitably leads the world with all its urgent problems into the thickets of artificially counterposed group or "pluralist" interests.

Let us also add that it is precisely in the recognition of the common interest in totally preventing nuclear war, ending the wasteful arms race and organizing equal exchanges in the economy, science, technology, culture and other spheres that peaceful coexistence acquires the quality of PRODUCTIVE COEXISTENCE. The farsightedness of the sober-minded statesmen, politicians and scientists in the West who have supported and continue to support the detente policy consists in particular in the fact that in general they have been able to discern the hopelessness and dangerousness of adhering to cold war dogmas and disregarding political realities. They have also realized that a fruitless policy inevitably means missed opportunities since it prevents the expansion of advantageous relations and cooperation with the world's socialist sector.

It will be recalled that the dialectic of detente (competition on the one hand and cooperation on the other) not only outlines prospects but also predetermines the difficulty of the quest. But as the only alternative which all mankind has, this quest cannot be abandoned. And in turn this makes it possible to highlight [vychlenit] the main thing in the trends and laws of world politics, which is not some kind of one-sided interest but an alternative which expresses the general interest in ending the wasteful arms race and implementing the principles of peaceful coexistence and equal cooperation among states with different social systems.

To reach this level of understanding of world political processes means at the same time recognizing the qualitative changes which have taken place in the international system and realizing the hopelessness of gambling on implementation of a "classic" imperialist policy in the international arena.

International relations are now, essentially at a crossroads leading either to the growth of trust and cooperation or to the growth of mutual fear, suspicion and the stockpiling of weapons; leading ultimately either to lasting peace or, at best, to teetering on the brink of war. Detente provides a real opportunity to choose the path of peace.

This in no way suits the groups in the United States which, either as a result of ignorance or being blinded by anticommunism and anti-Sovietism, still cling to the cold war dogmas and to obsolete stereotypes and maintain constant and even intensifying pressure aimed at returning U.S. foreign policy to the path of "power confrontations."

The fact that in this precise period a journal such as FOREIGN AFFAIRS has deemed it necessary to devote practically an entire issue to an interesting although contradictory debate gives grounds for reaching the encouraging conclusion that influential U.S. circles are continuing to seriously ponder the quest for a way out of the labyrinth of "power politics."

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SOVIET-AMERICAN HUMANITARIAN EXCHANGES: PROBLEMS AND PROSPECTS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 78
pp 64-70

[Article by I. V. Alpatova]

[Text] This is the 20th year since the signing of the first Soviet-U.S. international agreement on exchanges in the area of culture, technology and education. Twenty years is not a long time, but Soviet-American cooperation in these spheres has developed in more than the quantitative sense during this period: From "the neglected aspect of foreign affairs,"¹ it has become a full-fledged sphere of relations between the two states with a certain amount of influence on the entire complex of relations.

Cooperation in the humanities has not taken shape smoothly, which indisputably bears the traces of the general evolution of Soviet-U.S. relations during this period, which have been marked by moments of acute crisis and by important positive advances, signifying a transition from the tension of the cold war to the "era of negotiation."

It should be noted that humanitarian exchanges between the two countries began even before the first intergovernmental agreement was signed. For example, the American "Every Man Opera's " production of G. Gershwin's "Porgy and Bess" had a successful engagement in Moscow and Leningrad in 1955. Violinist I. Stern, tenor J. Pearce and the Boston Symphony Orchestra performed in the Soviet Union in 1956. Americans were introduced to Soviet music by the concerts presented in the United States in October-December 1955 by renowned Soviet musicians E. Gilels and D. Oistrakh. More than 40 American scholars visited the USSR in 1956.

The signing of the 1958 agreement marked the beginning of regular bilateral exchange in the area of culture and education and provided this exchange with a judicial basis. Over the last 20 years, more than 50 Soviet groups have performed in the United States, introducing American audiences to the achievements of the Soviet multinational arts. These have included the Bolshoi and Kirov ballet and opera companies, the State Folk Dance Troupe of the USSR directed by I. Moiseyev, the Berezka dance troupe, dance troupes

1. This was the title of a book by C. Frankel, published in 1966, in which the author analyzed U.S. policy in cooperation in the humanities and science.

from the Ukrainian SSR, the Georgian SSR, the Armenian SSR and Siberia, the best symphony orchestras of the Soviet Union, the Moscow Academic Art Theater imeni M. Gor'kiy, the puppet theater of S. Obraztsov, the Omsk Russian Folk Choir, the Osipov Folk Instrument Orchestra, the Don Cossack Song and Dance Troupe, circus troupes and many others.

The American groups touring the USSR, and these have also numbered more than 50, have included the best American symphony orchestras--Boston, New York, Philadelphia and Cleveland, the New York City Ballet directed by G. Balanchine, the Jose Limon Dance Company, the Joffrey Ballet, student musical groups, the Arena Stage theater group, a dramatic theater group from San Francisco, the jazz orchestras of B. Goodman, D. Ellington and Mel Lewis, the Country Music Show folk-song group and the Nitty Gritty Dirt Band.

Soviet-American exchange programs have broadened with the development of the process of international detente. While scientific and cultural contacts between the USSR and the United States prior to 1973 were accomplished in accordance with 2-year intergovernmental agreements, a long-range general Soviet-U.S. agreement on contacts, exchanges and cooperation during the period up to 31 December 1979 was signed in June 1973. This agreement was used as a basis for 3-year exchange programs for 1974-1976 and 1977-1979. This is how both sides affirmed their desire to move on to long-range programs of cooperation and to place cooperation on a firmer foundation to make it less subject to the influence of changes in the political situation. The 1973 agreement envisaged the further expansion of Soviet-U.S. exchanges, their quantitative growth and the institution of various new forms of exchange.

How has the experience of the last 20 years been evaluated in the United States? First of all, it should be noted that the area of international humanitarian cooperation has not been discussed sufficiently, as a rule, in American literature in the past; in official circles it has been regarded as a secondary sphere of foreign policy activity. During the last few years, however, particularly since the new administration took office, the possibilities and prospects of broader Soviet-American exchange programs have undergone a certain reassessment in the United States. Two basic tendencies have been apparent in the approach of American officials to contacts with the Soviet Union.

Advocates of the "tough line," energetically preaching the thesis of the alleged "one-sided" nature of Soviet-American exchanges, have suggested that these be used to exert pressure on the USSR. They have attempted to make the expansion of contacts between the two states and even the very existence of Soviet-American exchanges (primarily scientific) conditional upon political demands that are unacceptable to the Soviet Union. This approach has been reflected, in particular, in a report published in 1977 by a special task force of the Twentieth Century Fund, which contains an analysis of Soviet-American exchanges in the area of culture and education,

and in a book by Indiana University Professor R. Byrnes entitled "Soviet-American Scientific Exchanges, 1958-1975." One of the characteristic features of these works is their tendency to regard exchanges as an element of the foreign policy propaganda activity of the government and to determine the effectiveness of programs on the basis of their direct contribution to the attainment of U.S. foreign policy goals.

On the basis of an analysis of the 20 years of experience in Soviet-American cooperation, the authors conclude that the aspect of the greatest value to the United States in Soviet-American exchanges consists "not in the acquaintance of the Russian audience with American cultural achievements and not in the scientific knowledge acquired by American scientists, but in the possibility of transmitting Western ideas, concepts, views and arguments" to various strata in the Soviet society. In other words, they regard cultural and educational exchanges only as a channel for ideological expansion in the socialist countries, assisting in the implementation of Washington's foreign policy. The interests of cooperation are completely subordinated to propaganda objectives, which are frequently consistent with the spirit of the cold war. The recommendations for the future made in these works are based on the premise that the USSR has a greater interest in, and need for, these contacts than the United States. For this reason, the broader representation of the so-called avant-garde arts in exchanges is proposed, with no consideration for the traditions and rules existing in the Soviet Union. They have also suggested that free access be obtained to archives and special libraries for American participants in exchange programs, that the United States demand the right to invite specific cultural and scientific figures without agreeing to substitutions, and so forth.

This approach is the opposite of the other. One of its advocates, Massachusetts Institute of Technology Professor Carl Kaysen, chairman of a special task force of the U.S. National Academy of Sciences for the study of scientific exchanges and relations between the United States and the USSR, wrote an article in the NEW YORK TIMES, criticizing the statement that the Soviet side is supposedly "gaining more than the Americans" from cultural and scientific exchanges with the United States. He said that the materials prepared by his group proved the groundless and senseless nature of "attempts to measure the relative advantages of contacts on the basis of the frequently used but misleading comparisons of scientific exchange with economic exchange, in which the exchange of ideas is equated with trade in material goods."

The two approaches are also characterized by certain differences in the interpretation of the purposes and goals of humanitarian contacts with the USSR. The apologists for a tougher U.S. position see scientific and cultural cooperation as an excuse and a means for intervention in the internal affairs of the Soviet nation and are trying to derive political dividends of doubtful quality from this cooperation.

In turn, the advocates of the other approach to relations with the USSR attach primary significance to the long-term nature of this kind of cooperation and to the opportunities and prospects it affords for intergovernmental communication. They fully realize, although they are not always consistent in this, the futility of attempts to conduct affairs with the USSR from "a position of strength."

This is the approach taken, in particular, by the heads of the International Research and Exchanges Board (IREX)--an organization specially founded in the United States 10 years ago for the regulation of scientific exchanges with the socialist countries. This made it possible to centralize all of the previously separate programs of scientific exchange with the Soviet Union and the nations of Eastern Europe. At present, IREX performs around 90 percent of all the work involved in scientific exchanges with the socialist countries.²

The activities of IREX are financed by the Ford Foundation, the State Department, the National Endowment for the Humanities and several of the nation's large private corporations and universities. Until recently, the organization received most of its funds from the Ford Foundation: around 7 million dollars between 1958 and 1974. During the same period, the State Department contributed 5 million dollars.

In recent years, however, the Ford Foundation has made sharp cuts in its contributions, and IREX is now almost totally financed by the government.

The chief forms of exchange conducted in accordance with intergovernmental Soviet-American agreements are exchanges of students and post-graduate students, senior scientific personnel (on the Soviet side, these exchanges are organized by the Ministry of Higher and Secondary Specialized Education) and scholars, who are sent to the United States by the USSR Academy of Sciences. In 1976 and 1977, 45, 15 and 16 persons belonging to these respective categories were sent to the United States through the IREX channel. The respective figures for U.S. citizens on scientific assignments in the Soviet Union were 48, 9 and 17. Besides this, summer courses for teachers of Russian and English, which are attended by up to 35 persons from each side, are held each year in both countries.

A noticeable tendency of the 1970's has been the increased significance of exchange programs in the fields of science and education. This has led to a situation in which cultural exchanges, particularly in the field of the performing arts, which constituted the basis of all Soviet-American humanitarian cooperation in the 1950's and 1960's, have turned out to be secondary in the system of American priorities. One of the indicators of this is the

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2. In addition to the IREX programs, small exchange programs with the socialist countries are also being carried out by the U.S. National Academy of Sciences (primarily the exchange of prominent figures in the natural sciences), the Council of International Academic Exchange, the Council on International Education Exchange and the Institute of International Education.

significant cut in funds allocated by the State Department for financing tours by American performers: from 2.8 million dollars in 1966 (the year of the highest allocations for this purpose) to 1 million at the present time. Around half this sum is allocated for performances in the USSR. The annual IREX budget totals 2.5 million dollars.

This does not mean, however, that the advocates of a more constructive approach to Soviet-American humanitarian cooperation are in favor of the total exclusion of foreign policy interests from Soviet-U.S. exchange programs. In spite of the significant differences in the means and methods characteristic of the activities of the separate American groups, the United States' position on humanitarian cooperation with the Soviet Union as a whole is determined by the goals of ideological confrontation and is subordinated to the general objectives of Washington's foreign policy. The realism of the second approach consists in a relatively objective assessment of the international balance of power and an understanding of the potential of socialist society and its level of scientific and cultural development.

From the very beginning, political goals have been given priority in U.S. Government activity in the field of international cultural relations; these goals have generally been concealed by humanistic catchwords. It is interesting that the American Government's involvement in the sphere of cultural exchange in the mid-1950's primarily resulted from American ruling circles' desire to counteract the "broad Soviet cultural offensive," as performances abroad during these years by celebrated Soviet figures were described in the United States. American researchers have admitted that Soviet-American contacts in the humanities represent "the most convincing practical example of the political impact of this kind of exchange."

Foreign policy aims have never been given such obvious primary significance in U.S. policy in the area of Soviet-American humanitarian cooperation as at the present time. A special place in American propaganda theory is assigned to personal contacts as an integral element of humanitarian cooperation for the attainment of the objectives of exchange programs with the USSR. A report presented to the U.S. Congress in spring 1976 by a U.S. advisory commission on international education and cultural affairs criticizes the principles governing the selection of candidates for student exchange programs. According to the authors of this report, one of the major criteria for the selection of American exchange students should be, in addition to their personal qualities, their area of scientific interest. The subject matter of their research projects, the authors feel, should be relevant to some degree to the present day, which will inevitably necessitate contacts with representatives of various groups in the nation to which they are sent, and should concern issues of interest to the government as well as to the student himself. They recommend a significant increase in the number of exchange students majoring in the social sciences, especially sociology and international relations.

The factor of interpersonal communication as the most effective form of propaganda is assigned an important role in the area of cultural exchange as well. The official instructions compiled for members of the New York Philharmonic Orchestra, which toured the USSR in 1976, state: "Planned and unplanned contacts with Soviet musicians will be regarded as a positive and important part of your trip. These contacts will be encouraged and promoted in every way possible."³

The change in Washington's official attitude toward humanitarian cooperation with the Soviet Union was also reflected in the growing significance of exchange programs in the total foreign policy propaganda activity of the United States and in the recognition of the great potential opportunities afforded by this sphere of intergovernmental communication.

The new objectives set for U.S. policy in the area of humanitarian cooperation have called for the reconstruction of the administrative mechanism of programs for cooperation. In accordance with President J. Carter's reorganization plan, an International Communication Agency has been founded, which, uniting the U.S. Information Agency (USIA) and the State Department Bureau for Educational and Cultural Affairs, will become the U.S. Government's chief information and propaganda agency. According to the plans of American official circles, the centralization of information and propaganda services should increase the impact of the ideological "software" of U.S. foreign policy and reflect the growing role of ideological and propaganda factors in Washington's foreign political activity. An important role in this process has been assigned to humanitarian exchange programs as an integral part of the total propaganda activity of the American foreign policy system.

As for the USSR, it has always advocated the development of Soviet-American relations in all areas, regarding humanitarian contacts as an important channel for the reinforcement of mutual understanding, mutual acquaintance and cooperation between the two countries and for the creation of an atmosphere of trust and mutual respect. We have always believed that cooperation should be based exclusively on the principles of equality, mutual advantage, non-intervention in internal affairs, respect for sovereignty and the strict observance of the laws, customs and traditions of each side. This policy conducted by the Soviet Union, which has productively maintained and developed cultural contacts with more than 120 states in the world, is in complete accordance with the premises of the Final Act of the Conference on Security and Cooperation in Europe, to which Western officials so love to refer.

As L. I. Brezhnev said in his speech in Helsinki on 31 July 1975, the main conclusion of the conference, which is formulated in his final document, is that "no one should, on the basis of any particular foreign policy considerations, try to dictate how other people should deal with their own internal affairs." Soviet-American relations in the area of humanitarian cooperation must be based precisely on these principles.

3. Quoted in "The Raised Curtain," Report of the Twentieth Century Fund Task Force on Soviet-American Scholarly and Cultural Exchanges, New York, 1977, p 60.

Despite isolated negative incidents, relations between the USSR and the United States in the humanities have developed quite successfully. Productive contacts have been arranged between Soviet and American scholars. Joint research projects in such important fields as medicine, space exploration and environmental protection have already produced their first results. Permanent ties have been established between the USSR Academy of Sciences and the American Council of Learned Societies, covering the sphere of the social sciences and the humanities. Joint research projects are being conducted in the areas of economics, law, linguistics, archaeology, international relations, sociology and many others.

New forms of cooperation are also planned for the field of education. In October 1976, the first agreement was signed on the development of direct contacts between the Moscow State University imeni Lomonosov and the State University of New York; in May 1977, direct contacts were established between Moscow State University and seven universities in the American Midwest.

Cultural exchange programs are also being developed constantly. The traditional exchanges of performers and artistic groups are being accompanied by new forms of exchange: exchanges of working musicians, dancers and actors. The first experiment in the joint production of films was followed by the development of contacts between Soviet and American figures in the theater. M. Roshchin's play "Echelon," directed by Soviet director G. Volchek, had a quite successful premier performance in January 1978 at the American Alley Theater in Houston (Texas). The invitation of several other Soviet directors to stage Soviet plays in American theaters is now being negotiated.

The initiative of the U.S. Midwestern Intercollegiate International Relations Committee presents interesting prospects and has been seconded by the USSR Ministry of Culture. This committee has proposed a program of events in 1978-1979 to illustrate the history of Russian culture in the first half of the 19th century. This program will involve the organization of an exhibit of Russian art works of this period from Soviet museum collections, a series of lectures on Russian paintings and a series of performances of Russian music played by American musical groups under the direction of Soviet conductors and accompanied by Soviet soloists. The high point of this festival of Russian arts should be the production of Gogol's comedy, "The Marriage," on the stage of the famous Guthrie Theater in Minneapolis (Minnesota). These contacts will indisputably serve the noble cause of greater mutual understanding between our two countries.

Art and national exhibits are quite popular in both countries. In 1977, a national Soviet exhibit was held quite successfully in Los Angeles and was attended by more than 320,000 Americans. Two art exhibits also generated a great deal of interest--"The History of Russian Dress" (New York) and "Russian and Soviet Painting from the 15th Century to the Present" (New York and San Francisco). Soviet viewers had the opportunity to see an exhibit of American paintings of the 19th and 20th centuries. Direct contacts are being developed between museums in both countries for the exchange of reference materials, albums, monographs and other publications.

On the whole, it is obvious that primary significance in Soviet-American humanitarian cooperation is now being attached to specialized, "programmed exchange" in the cultural sphere as well as in the fields of science and education. The impact of exchange programs is to be augmented by means of seminars and conferences organized within the framework of Soviet-American cooperation for experts in various fields, as well as by visits by the heads of organizations directly involved in the administration of exchange programs. For example, in January 1978 a delegation of the ministers of culture of the USSR's union republics, headed by USSR Deputy Minister of Culture S. I. Barabash, visited the United States. The visit was timed to coincide with the 20th anniversary of Soviet-American cooperation in the humanities and set the objective of the further development of Soviet-American contacts.

The Soviet Union is actively promoting the development of international contacts in all fields. "We in the Soviet Union feel it is important," said L. I. Brezhnev in his speech in Berlin at the Conference of European Communist and Workers Parties in 1976, "for our people to know more about the past and present of other peoples, to have a deeper understanding of their culture and to be able to respect the historical experience and achievements of other nations. For this reason, the Soviet State is totally encouraging cultural exchange by reinforcing it with intergovernmental agreements and by expanding its dimensions from year to year."

Much has been done in the area of Soviet-American cooperation during the last 20 years. New frontiers lie ahead, however, and reaching these frontiers should contribute to lasting peace throughout the world and to the further development of international detente.

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ANOTHER WASHINGTON PROTECTIONIST MOVE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 78
pp 71-74

[Article by V. A. Yulin]

[Text] In February 1978, customs duties on imported sugar rose dramatically in the United States. This protectionist measure was dictated by the interests of the big American farmers and refinery owners. Now they can increase their profits by taking advantage of the weaker foreign competition. At the same time, Washington's decision to limit the access of imported sugar to the domestic market had a perceptible negative effect on the interests of the developing countries supplying this sugar, primarily Latin American, as it has undermined their competitive potential and has faced their sugar industry with the prospect of a severe crisis. A new source of friction and conflict has arisen in U.S. relations with the developing countries.

The significance and consequences of this decision can only be concretely assessed with consideration for the peculiarities involved in the satisfaction of U.S. demands for sugar and the changes occurring in the system for the trade in this commodity between the United States and its major suppliers.

Approximately half of this demand is satisfied by the U.S. sugar industry with its relatively high production costs.¹ The rest is satisfied by imports. The United States imports more than 4 million tons of sugar each year and is the world's largest importer of sugar (accounting for approximately one-fourth of all capitalist imports).

In satisfying national demands, the U.S. administration has attempted to solve a double problem: Firstly, to create the necessary conditions for the acquisition of a guaranteed income by American producers of sugar in spite of the high cost of producing it within the nation; secondly, to give foreign suppliers access to the American market on terms which can reliably protect U.S. producers against foreign competition.

1. While the production costs of cane sugar are 14-15 cents per pound avoirdupois (around 0.45 kilograms) in the United States, they are 10-11 cents in the Philippines, 8-9 cents in the African countries and 6-8 cents in the Latin American and Caribbean countries.

Until 1974, the federal Sugar Act of 1934 (the Jones-Costigan Act) proved an effective means of solving this problem. It regulated sugar production, consumption and foreign trade. It set price controls on raw sugar and guaranteed a specific profit norm for farmers engaged in beet and cane cultivation and for refinery owners. This price level was higher than the world price of sugar and was maintained by the payment of subsidies from the federal budget. This subsidization of domestic production cost the American taxpayers 500-700 million dollars a year.

As for sugar imports, the act envisaged a quota system--that is, it set quotas which were first distributed in the following proportions: 64.4 percent for Cuba, 34.7 percent for the Philippines and 0.9 percent for other nations.

This system for the regulation of imports provided the U.S. sugar industry with a reliable protective shield and guaranteed the relative stability of domestic sugar prices and fairly high profits for American sugar monopolies. Besides this, it allowed the United States to exert a certain amount of pressure on the developing countries which had to rely on the sugar import quotas set for them by the United States.

The system of import quotas also gave foreign suppliers certain advantages connected with the provision of a guaranteed sales market with prices exceeding the world price level. Over the long range, however, as Cuban Minister of Foreign Trade Fernandez has pointed out, "this system, guaranteeing exporters higher...prices in exchange for customs concessions on other commodities, created a system of economic specialization and made production diversification impossible for many nations." The system ultimately resulted in the preservation of the single-crop nature of the economies of several developing countries relying on the American market.

While this act was in force, the quotas were repeatedly changed for political as well as economic reasons. The practice of redistributing underutilized quotas was instituted and the U.S. Administration was given broader opportunities for manipulating prices on imported sugar in the interests of American monopolies. Amendments to the law gave the government the ability to maneuver the quotas for the purpose of exerting permanent pressure on suppliers. For example, when enterprises controlled by American capital were nationalized in Cuba after the revolution, the Cuban quota was canceled and was ultimately distributed among other exporters in proportion to their share of the market. The U.S. President was given the power to cancel any quota "in the national interest" and to reinstate it in full the third year after its cancellation; for Cuba, this necessitated the renewal of diplomatic relations. The President was also given the authority to assign part of any underutilized quota (with the exception of the Philippine quota) to any nation at his own discretion.

Exercising this right, the U.S. President assigned, for example, an additional quota to the Dominican Republic in 1968--that is, after a political regime suiting the United States became entrenched there. All of this reaffirmed the true purpose of the Sugar Act as an instrument of foreign policy and economic aggression.

The Sugar Act's price controls were of particular significance, as they provided an opportunity for direct federal control over pricing procedures. The government did not set the prices when imported sugar was being purchased, but the U.S. Department of Agriculture was able to influence the movement of prices to some degree in a direction convenient for the United States by manipulating supply quotas and estimating the demand for sugar in the nation.

As we have already mentioned, imports of sugar according to the quotas are made at the prices current in the American domestic market. As a rule, the price on sugar in the United States has been higher than the world price. During those years when it has been lower, the American Government has persuaded foreign suppliers to agree to its price. In those cases, however, when deliveries were made at prices exceeding the world price, the exporting nations virtually could not use all of the profits from this sale for the development of their own national economies for several reasons.

In the first place, part of the earnings was kept in the safes of branches of American multinational monopolies based in the producer countries. And this part was quite significant. For example, at the end of the 1950's more than one-third of the total quantity of sugar imported to the United States came from enterprises owned by American capital, including around 45 percent of the sugar deliveries coming from the Latin American countries. In the second place, the exporting nations were frequently forced to use the money they earned from the sale of sugar in the American market to pay for costly American goods or to finance militarization forced on them by the United States. This was unequivocally referred to in one of W. Fullbright's statements in the Senate: "If we sell our partners bombers and simultaneously set quotas on their sugar deliveries...we are actually only giving them the means to pay for the aircraft."

For 40 years, the Sugar Act served as a reliable instrument of state-monopoly regulation of sugar production and trade in the United States and an important element of U.S. foreign economic policy. In spite of all the amendments and changes introduced into its text during these decades, however, the act no longer answered the requirements of the new situation that took shape in the world sugar trade. Demand in excess of supply, the acceleration of inflation rates in the capitalist countries, changes in currency exchange rates, the four rises in the price of oil and the increase in fertilizer and agricultural machinery prices all caused world prices and the U.S. market price to more than quadruple between January and November 1974. The act ceased to be in force on 1 January 1975 and the United States became a part of the "free" sugar market.

American producers of sugar and the U.S. Government are trying to adapt to the new state of affairs in the world sugar market, where prices had already fallen dramatically by 1976, although they only fell to a level that was still much higher than the 1974 prices (prices in the American domestic market were also higher than world prices). On the intergovernmental level, Washington began to engineer an international agreement on sugar which would benefit the United States. Its delegation attended the UN conference on sugar (Geneva, 1977), stipulating that if an agreement acceptable to the United States was not reached, it "would be forced" to return to the system of preferential agreements to ensure guaranteed deliveries and the competitive potential of its own producers.

On the domestic level, Congress protected the interests of the U.S. sugar business by sanctioning new and higher import duties on sugar. In February 1978, the government decided to institute fixed import duties of 2.7 cents per pound avoirdupois for raw sugar and 3.22 cents for refined sugar. This will inevitably cause the price of imported refined sugar to be higher than the price of locally produced sugar and, in this way, will make imports of refined sugar less profitable than imports of raw sugar. By means of this measure, the government hopes to increase the profits and competitive potential of American refineries.

The American press is still indulging in lively commentaries on the consequences of this decision, noting that, in the first place, it will lead to a rise in the price of sugar in the U.S. domestic market and will cost the American consumer an average of 400-800 dollars a year; in the second place, this measure will increase the profits of large corporations and importers--these, foreseeing the possibility of this kind of government action, have accumulated around 1.5 million tons of sugar in their warehouses; in the third place, the U.S. Government's decision will severely impinge on the interests of the developing countries exporting sugar.

The rise in U.S. customs duties on imported sugar has met with fierce protests in Peru, Guatemala, Panama, Brazil and other Latin American countries. And this is not surprising, since Washington's action will inflict serious damages on the economies of the nations for which the export of sugar is their most important source of finances for national economic development.

We should recall that the American arbitrary dictatorial policy in trade with the Latin American countries has already severely harmed their economies. In 1976, for example, the total deficit in these countries' balance of trade with the United States amounted to 2.3 billion dollars. Each year the burden of the foreign debt of these nations becomes heavier. According to the UN Economic Commission for Latin America, their foreign debt had risen to 79 billion dollars by the beginning of 1977.

United States policy in the area of international trade in sugar is encountering growing opposition by the developing countries, which are defending their own interests on a collective basis with increasing frequency. As early as

1974, Mexico initiated the founding of the group of Latin American and Caribbean sugar-exporting nations (GEPLASEA), which is striving for the reconstruction of this trade with consideration for their interests.²

At a special session of the permanent council of the Organization of American States convened at the initiative of Ecuador in December 1977, representatives of the Latin American countries called the United States' decision to restrict the access of imported sugar to its own domestic market a sign of overt contempt for the interests of the developing countries and an act of economic aggression against them. They underscored the fact that this protectionist measure was being taken by Washington in a one-sided manner, without the preliminary consultations with OAS members stipulated in the charter of this organization.

This kind of one-sided action has not surprised anyone for a long time. Experience has clearly shown that, whenever its own profits are at stake, American monopolistic capital refuses to have anything to do with any kind of "conditions," even if these are statutory obligations or official statements by American representatives at international forums on the need to promote the economic development of the Asian, African and Latin American countries.

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2. The members of this group are Argentina, Barbados, Brazil, Venezuela, Haiti, Guiana, Guatemala, Honduras, the Dominican Republic, Colombia, Costa Rica, Cuba, Mexico, Nicaragua, Panama, Paraguay, Peru, El Salvador, Trinidad and Tobago, Ecuador and Jamaica. Observer status is held by the Philippines.

SOCIAL SECURITY FUNDS IN DANGER

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 78
pp 74-77

[Article by Ye. P. Kassirova]

[Text] The first session of the 95th U.S. Congress, which ended last December, presented the American taxpayers with a costly Christmas present. The Congress hastily approved a bill on the financing of the social security system which envisages a sharp increase in taxes for this purpose for the next 10 years. During 1979-1983 alone, annual payments into the social security fund, deducted from the wages of slightly more than 100 million workers, will be more than twice as high as in 1977 and will reach 226 billion dollars by 1983.

The step taken by the administration was an attempt, as the NEW YORK TIMES reported not long ago, "to prevent the collapse of the social security system."

We should recall that the American press was already sounding the alarm in the mid-1970's in connection with the growing deficit in social security funds. Calculations indicated that the disability fund would be completely depleted by 1979 and the pension fund would be gone by 1982. Besides this, the critical condition of pension funds took shape in spite of the constant rise in the social security tax during the last decade. By 1968 it was already the second-largest revenue item in the federal budget, representing 22.5 percent of budget income and exceeding corporate taxes (18.7 percent). It was second only to the personal income tax (44.7 percent). According to estimates, social security revenues will reach 124 billion dollars in 1978, or 31 percent of budget revenues, as compared to 45 percent in personal income taxes and 15 percent in corporate taxes. But where did this acute deficit come from if larger and larger sums were deposited in the social security fund during these years?

One of the important reasons for this critical situation is inflation. Neither objective economic processes nor the government's attempts to regulate prices and wages have been able to stop the devaluation of the dollar.

In 1977 the rate of inflation was 6.6 percent, which was double the 1976 indicator. The high rate of inflation has had a severe effect on the situation of all workers, but it has constituted the greatest burden to the Americans living on fixed incomes.

In order to alleviate the negative effect of inflation on the standard of living of senior citizens suffering from inadequate pensions, the government was forced by public pressure in 1972 to increase benefits and simultaneously pass a law (which came into force in 1975) on further automatic increases in pensions of at least 3 percent a year in the event of a rise in the cost of living. All of this and, mainly, inflation, the economic recession and the high rate of unemployment¹ led to a situation in which previously accumulated pension funds were virtually drained. In order to correct the situation, the abovementioned reform of social security financing was made compulsory. It took the form of higher tax rates (for the calculation of social security contributions) and higher contributions.

We know that the social security tax is paid in equal parts by the workers and their employers; the latter ultimately transfer this burden to the consumers--that is, the same workers. Between 1937 and 1977, the amount collected from the workers rose from 1 percent to 5.85 percent of taxable wages. In absolute terms, the tax on the average wage increased 21-fold (and the maximum sum increased by more than 32-fold), while the wage itself, in nominal terms, only increased by an average of slightly more than 3-fold. In 1978, the rate rose to 6.05 percent of taxable income, and by 1987 it will rise to 7.15 percent in accordance with the new law (instead of the 6.45 percent stipulated in previous legislation). It hardly makes sense now, however, to look ahead at the decade envisaged in the new law, since, as experience has shown, unfavorable economic conditions, which have already (four times in the last decade) necessitated the revision of tax rates, can again lead to changes.

In any case, the law will raise social security contributions significantly within the next few years. For the American family with an income on the average minimum subsistence level, this tax will rise to 1,071 dollars (in comparison to 965 dollars in 1977) with a further increase in subsequent years. In response to journalists' questions, Congressman A. Ullman, chairman of the House Ways and Means Committee, had to admit that the increase in the social security tax was a "delayed-action bomb": The reaction to it will only be fully felt in 1979 and later, when the much higher tax approved by Congress goes into force, since it will severely harm the taxpayer's interests.

In all, the increase in the tax collected from all workers will provide the Treasury with an additional 6 billion dollars in 1979. The same amount is to be paid by employers, the owners of corporations. But the latter will

1. In the same way as inflation, growing unemployment leads to the direct reduction of pension funds. This ultimately occurs due to the loss of wages and, consequently, payments into these funds.

probably not be satisfied with the compensation promised them by the White House² and will again raise the prices of consumer goods. This, in turn, will stimulate inflation and reduce the actual purchasing power of the workers. In order to increase consumer demand and stimulate economic growth, which, it is assumed, can reduce the rates of unemployment and inflation, President J. Carter announced a cut in general income taxes (personal and corporate), which will increase the deficit in the federal budget. According to the predictions of some American economists, however, the rate of inflation is hardly likely to slow down within the near future; moreover, it is probable that economic recovery will be accompanied by some acceleration of this rate. Inflation also has a negative effect on the purchasing power of senior citizens, which will force the government to increase pensions again in accordance with the law on the automatic increase in pensions to compensate for each rise in the cost of living. A new increase in pensions within the near future can again necessitate the revision of social security tax rates and face the government and Congress with new problems in this vicious circle of contradictions.

There is reason to believe that, under these circumstances, the administration will try to find a way out of the present state of affairs by looking for new forms of taxation.

It should be stressed that the present crisis in the system of social security financing is taking place at a time of considerable growth in the defense budget. By giving priority to the interests of the military-industrial complex, the U.S. Government is stabilizing or, in some cases, reducing allocations for social needs without reducing the United States' excessively inflated military expenditures. It is precisely these expenditures that are largely to blame for the growing deficit in the federal budget and the rising rate of inflation. The first session of the 95th Congress approved a defense budget of 117.8 billion dollars for the 1978 fiscal year and its rise to 128.4 billion is planned for 1979. The growth of military expenditures has led to a situation in which the average American family had to contribute more than 1,200 dollars for military purposes in 1976. The tax burden of the Americans can only become heavier as a result of the Pentagon's development of the latest types and systems of weapons.

Large segments of the American public are calling for an end to the unrestrained arms race and are striving for a cut in defense expenditures and the redistribution of these funds for the resolution of urgent social problems in the United States. The issue of social security financing is one of these pressing problems.

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2. The Carter Administration has proposed that corporate income taxes be reduced by the same amount.

HARRIS CASE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 78
pp 77-78

[Article by S. A. Chervonnaya]

[Text] For several months now, John Harris, who has given himself the African name Imani, has been languishing in a cell on death row in a Birmingham (Alabama) prison.

The very name of this city--Birmingham--fills the mind with pictures of the persecution of civil rights fighters in the early 1960's: policemen with dogs, jets of water from fire hoses pointed at dark-skinned demonstrators, the explosions of bombs thrown at a Negro church, the faces of murdered black children.... We are separated from these events by years during which it would seem that many changes should have taken place in the life of Birmingham's black Americans.

Now, however, we are again viewing a human tragedy attesting to the fact that the unchanging reality of overt racism still exists behind the facade of the formal judicial equality fought for and won by the black Americans.

What happened to John Harris could have happened to any of the hundreds of thousands of black Americans who do not wish to reconcile themselves to the existing racist order. His story resembles the fate of thousands of black Americans whose encounters with the judicial courts have ended in the tragedy of long years of brutal imprisonment. In many ways, his story reminds us of the fate of "Soledad Brother" George Jackson, who spent many years in prison and fell victim to racist brutality, George Merritt and many other fighters for the civil rights of black Americans.

The racist system of justice operates according to a standard script. It begins with surveillance, police provocation and arrest, which are followed by the person's being brought to trial on trumped-up charges, the court drama and the sentence pronounced by jurors who are frequently all white. The final act is prison with its "universities." Many black Americans whose feelings of protest have been more emotional in nature and whose

political awareness has not been complete prior to their prison terms have evolved behind bars into mature and staunch fighters for civil rights and justice. Then they are accused of "rioting" and their "murder of a guard" or other act of violence is staged; this is followed by severe punishment, the most severe.

Long before that August day in 1970 which proved to be so fateful for Harris, he was already "under suspicion" by the police, who were searching for an excuse to get rid of him. The American police do not stand on ceremony with the blacks; they resort to any kind of provocation, blackmail or the fabrication of "facts" just to put these undesirables behind bars.

On that August day in 1970, Harris was detained on the street on his way to work without cause and taken to the police station, where a number of absurd accusations were made against him--first robbery and then the assault and attempted rape of a white woman. According to Alabama laws, the penalty for this kind of crime is the electric chair.

Two attorneys appointed by the court did everything possible to deprive Harris of his constitutionally guaranteed right to a defense. They did not comply with Harris' request to summon witnesses able to corroborate his alibi to the court and made every effort to convince Harris that he should admit his "guilt" by frightening him with the threat of the death penalty.

In a signed and sworn statement made in February of this year, Harris says: "I did not even see one of my attorneys until the day of the trial. I gave the second a list of witnesses who could corroborate my alibi and asked him to summon them to testify. On the day of the trial, my attorneys told me that they had not called these witnesses and that they did not plan to make any speech in my defense in the court. My lawyer said that this was a hopeless case and that I should take up the district attorney's offer of life imprisonment in exchange for a plea of guilty, because otherwise I could expect the electric chair. He said that they did not need witnesses because they did not plan to defend me."

In an attempt to save his life, John Harris pleaded guilty. For each of his five imputed "crimes," he was sentenced to one term of life imprisonment.

In prison, Harris became actively involved in the struggle against police and prison brutality. In 1972 he became one of the leaders of the "Inmates for Action" organization, which was started by the inmates of Birmingham's Atmore Prison. This organization's demands included the improvement of prison conditions and the prohibition of brutal treatment by guards.

The prison administration was waiting for an excuse to put an end to Harris and his companions. In 1974 they provoked a riot during the course of which one prisoner and one prison official were killed and several inmates were wounded. The riot was cruelly suppressed and Harris was named as one of the five ring-leaders. Four of them did not live till their trial: Two

were beaten to death, one was shot and one was hanged in his own cell. Harris, however, in accordance with a law dating back to the Civil War (a criminal accused of killing a prison official during a term of life imprisonment is subject to capital punishment), was sentenced by an all-white jury to death.

According to T. Pierson, progressive public figure from Chicago, the Harris "case" was a "judicial farce dictated exclusively by political and racist motives." Many Americans are convinced that the threat of the death penalty which hangs over the dark-skinned inmates in Alabama is a characteristic example of the workings of the violent system which tries to frighten all civil rights activists.

Harris' fate has become the cause of the general public. Under the pressure of a protest movement on 8 March of this year, the federal district court was forced to postpone his execution. The death penalty pronounced by the Alabama authorities was delayed for 60 days.

Progressive forces in many American cities and states have joined the struggle to free Harris. Alabama court authorities are receiving telegrams of protest written in many languages. Thousands of people are making an effort to stop a law being drawn up in the State of Alabama to legalize lynching. M. Myerson, one of the leaders of the National Alliance "Against Racial and Political Repression" heading this movement in the United States, has said: "Imani is neither a rapist nor a robber nor a murderer. He is in prison because he is black, because he is poor and because he has become a political activist. The Alabama authorities tried to put an end to Imani in an inconspicuous way, behind the public's back. Now, however, his case is known throughout the nation. We implore all honest people in America and the world to save him!"

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UNITED STATES-OWNED FOREIGN FLAGSHIPS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 78
pp 79-87

[Article by A. A. Petrov]

[Summary] The United States' distinctive economic and geographic features have made maritime shipping extremely important to this nation. Around 90 percent of all U.S. foreign trade shipments are made by sea, and the volume of these shipments is constantly increasing: In 1975 this volume was seven times greater than the 1945 volume. An analysis of American statistics, however, shows that the tonnage of the merchant fleet flying under the U.S. flag has decreased by almost 50 percent during these 30 years and the proportion accounted for it in national foreign trade shipments has dropped from 68.4 percent to 5.1 percent.

One of the main reasons for the reduction in gross tonnage has been the age of the fleet: It is the oldest fleet in the world. Ships more than 25 years old constituted 46.6 percent of the U.S. merchant fleet in 1976, while the figure for Japan was around 1 percent and the figures for England, France, the FRG, Norway and Liberia ranged from 2 to 4 percent. By the mid-1970's, more than 90 percent of the fleet was being directly or indirectly subsidized by the government. This government aid, however, has not produced the desired results. Any attempt by the government to develop the fleet has been opposed by the oil, industrial, finance and shipping companies with fleets sailing under foreign flags.

The American multinational monopolies with ships sailing under various foreign flags are able to react more flexibly to marketing, political and economic changes in various regions of the world. For this reason, the U.S. monopolies have no interest in renovating the U.S. merchant fleet. They began to register their own ships in foreign states in the beginning of the 20th century to reduce overhead costs. Lower wages could be paid to foreign sailors and cuts could also be made in other expenditures. At the present time, American-owned foreign flag ships transport at least 45-60 percent of the United States' export-import cargo. They have ten times the tonnage and five times the competitive potential of American-owned ships sailing under the U.S. flag.

"The United States has created a huge competitive merchant fleet of foreign flag ships in world shipping, competing with the shipping companies of foreign countries and simultaneously enjoying the protection of the national legislation of these countries. This American fleet is active in the transport of American export-import cargo and has a definite effect on the engineering of U.S. maritime shipping policy. This fleet is taken into account in all of the U.S. Department of Defense's mobilization plans and is to come under U.S. control in emergency situations. For this reason, when we analyze the composition and capabilities of the U.S. merchant fleet, we must also take the foreign flag ships into consideration, since they have a direct and immediate connection with the American economy and with the U.S. merchant fleet."

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LERMONTOV AUTOGRAPHS FROM COLUMBIA UNIVERSITY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 78
pp 88-89

[Interview with V. N. Baskakov, deputy director of the Institute of Russian Literature, by correspondent A. S. Aleksandrov]

[Summary] Our correspondent requested the deputy director of the Institute of Russian Literature, V. N. Baskakov, to discuss the nature, content and significance of a new publication--a Soviet-American jointly compiled edition of the drawings and autographs of M. Yu. Lermontov. These drawings and short verses by the famous Russian poet are now located at Columbia University in New York and were recently published in the United States.

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GIVE ME LIBERTY. THE WITCHCRAFT HYSTERIA (CHAPTERS FROM THE BOOK)

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 78
pp 90-99

[Russian translation of chapter from the book "Give Me Liberty: America's Colonial Heritage" by Franklin Folsom, Chicago-New York-San Francisco, Rand McNally and Company, 1974]

[Excerpt] Many readers have asked us about the derivation of the term "witch hunt" used by Americans in connection with the persecution of dissenters in the United States and people with progressive convictions, both in the McCarthy era and in our day.

The answer to this question can be found in the chapter from the book "Give Me Liberty" by American writer Franklin Folsom which we are printing below.

[Not translated by JPRS]

CSO: 1803

SOYBEAN PRODUCTION AND USES

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 78
pp 100-110

[Article by V. F. Lishchenko and L. V. Ospinnikova]

[Summary] It is hard to believe that soybeans were only grown as a food crop in Southeast Asia at the beginning of the century. They are now grown in the United States, Canada, several Western European countries and socialist countries, the South American countries and Australia. During the last 25 years, world soybean production has more than doubled. More than 70 percent of the world's soybean crop is now grown in the United States.

The history of soybean cultivation in the United States has been one of long years of experimentation. Soybeans were tested for use as a salad crop, a fodder and cereal grain, an oil-bearing and commercial crop and, finally, as an inexpensive source of protein. Soybeans have become so popular in the United States that they have even ousted the traditional "queen" of American farming--corn. Soybeans are now grown in more than 30 states on 23.5 million hectares.

Soybeans are an extremely labor-intensive crop to raise. American experts feel that their success in the cultivation of this crop has been due to the comprehensive mechanization of all field operations, including the harvesting and transport of soybeans; the extensive and efficient use of pesticides and fertilizers; the organization of scientific seed-breeding to guarantee seeds of the highest quality; intensive selection work and the mass cultivation of the newest highly productive and disease-resistant strains; and the comprehensive development of this field of farming on the national scale with the establishment of stable operational ties between all links--production, storage, processing and sales.

Soybeans have become the major agricultural item in U.S. exports. In 1977, 17 million tons of soybeans, 4.3 million tons of soy flour and 640,000 tons of soybean oil were exported. The United States has a soybean monopoly in the world market and plans to retain it in the future.

BOOK REVIEWS

JOHN CHEEVER--ECHOES OF CHEKHOV AND THACKERAY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 78
pp 111-118

[Review by A. S. Mulyarchik of the books "Falconer," New York, Knopf, 1977, 211 pages; "Bullet Park," New York, Knopf, 1969, 312 pages; "The Wapshot Scandal," New York, Knopf, 1964, 264 pages; "The Wapshot Chronicle," New York, Knopf, 1958, 292 pages, by John Cheever]

[Text] When John Cheever published his new novel "Falconer" in the beginning of 1977 after a fairly long period of creative silence, it seemed to many readers and critics that they were dealing with a work by a totally unknown author. "Where has Cheever's graceful and light prose gone?" exclaimed NEW YORK TIMES book reviewer Richard Locke in his article "The Novelist-Preachers," insisting on the "uncharacteristic" and "unconvincing" theme and moral philosophy of the novel. NEWSWEEK made even more cutting remarks. "It is doubtful," it reported, "whether a novel with a drug addict and murderer as its hero can be called an outstanding work. A look at a sewer cannot be entertaining or enlightening."

The categorical nature of the bourgeois weekly's standard requirements is not worthy of consideration in any serious discussion of the aesthetic bounds of the realistic work. "Artistic literature is called artistic because it depicts life the way it actually is. Its purpose is to present the truth unconditionally and honestly," notes a passage in a letter written by A. P. Chekhov, whose creative principles, in the unanimous opinion of critics, have always served Cheever as reliable guidelines. The connoisseurs of Cheever's prose, the novels "The Wapshot Chronicle" (1958), "The Wapshot Scandal" (1964) and "Bullet Park" (1969) and his many short stories, probably found it difficult at first to sense the underlying connection between the novelist's previous characters and Ezekiel Farragut, drug addict and homosexual serving a long prison sentence in Cellblock F, Falconer Prison, New York State, United States of America.

How and why did the prison theme enter Cheever's work? At all events, it was not only because (the writer himself particularly insists on this) Cheever has often visited the famous Sing Sing during the last few years--

a prison located close to where the Cheever family lives now, has had long conversations there with the inmates and has even taught them the fundamentals of a subject known in American college curricula as "Literary Composition." "But Falconer is not Sing Sing," Cheever said in a conversation with his fellow novelist John Hersey. "Literature," he continued, "does not consist solely of autobiographical excerpts for me. The image of the prison in my novel represents a general metaphor for human confinement." This is an extremely unequivocal statement which echoes Shakespeare's famous comment that "all the world is a prison," but it should be added that Cheever's ideas about the self-confinement, alienation and solitude of the individual in today's world arose long before "Falconer" and became more and more of an internal drama with each novel.

"Beggary and prison cannot be ignored"--This is a folk proverb for which an equivalent could easily be found in John Cheever's native tongue. American realistic literature has always been willing to draw material from these sad probabilities of human existence for profound statements about the life of the entire society. It is true that the prison life depicted by Cheever does not resemble the one known to our readers, for example, from S. Lewis' "Ann Vickers" (1933) or the even earlier "Star Rover" by Jack London (1913). The contemporary inmates of Falconer are not totally isolated from the outside world. They are still able to receive newspapers, watch television, attend religious services and take courses in the prison university. Other reforms, as Cheever notes in line with fact, are coming: a change in the degrading "convict" uniform, an end to the censorship of correspondence and even, following the example of some Scandinavian countries, the granting of passive suffrage, the right to vote, to inmates.

Since its founding in 1871, Falconer changed its official name several times. It had been called simply a prison, a house of correction, a penitentiary and, finally, a rehabilitation center. At one time, an administrator with liberal pretensions tried to give the prison another impressive title--"Phoenix House," hinting at the parallel between the fate of its inhabitants and the mythical bird that rises from the ashes--but the hypocrisy of this attempt was too obvious and the name did not stick. This hypocrisy not only extends to the sign on the gates but also to many details of the internal structure of Falconer. Its inhabitants include criminals as well as persons who have been jailed for political reasons, particularly activists of the Black Panther Party, who represented the most leftist circles of the negro movement prior to their obliteration in the early 1970's. Just as the "outside world," Falconer also cannot exist without social segregation. Cellblock A, which is distinguished by a relatively soft regime, is reserved for a convicted secretary of commerce, a former lieutenant governor and some rusty millionaires. Cellblock F, where Farragut ends up, is populated by the "more common" people: thieves, robbers and murderers.

The noticeable contrast between the "clean" and "unclean" in the very furnace of the hell of prison is typical of Cheever's paradoxes in "Falconer," which can either be filled with bitterness or be softened by mild humor.

"Who would want to riot in order to get out of a nice place like this?" Farragut's old cellmate, called Chicken Number Two, begins in long speech. "In the paper now you read there is unemployment everywhere. That's why the lieutenant governor is in here. He can't get no job outside.... We stand in line three times a day to get our nice minimal-nutritional hot meal, but out in the street they stand in line for 8 hours, 24 hours, sometimes they stand in line for a lifetime. And when they ain't standing in line in the rain they worry about atomic war.... That's not for us, men. In case of an atomic war we'll be the first to be saved."

Prison tales of this kind help to pass the time, but they are powerless against the spiritual torment of those who have been jailed for no good reason or have had enough time to regret and repent their sins. This latter group is the one belonged to by Ezekiel Farragut, quite recently an ordinary well-to-do family man, college professor and, naturally, just as most of the characters in Cheever's other novels and many short stories, an inhabitant of the "great" American suburbs. With the best will in the world, Farragut's past cannot be called irreproachable and it would be difficult to see him as the victim of unjust oppression or of circumstance. But the inhabitant of Cellblock F does not resemble the stereotype villain either, like Paul Hammer in Cheever's previous novel "Bullet Park." Farragut's human frailties do not exceed the average, even his passion for narcotics, since, just as the English romantic poet Thomas De Quincey, he believes that "the consciousness of the opium eater is much broader, more vast and representative of the human condition."

The drama which leads Farragut to prison is more indicative of the psychological processes developing in modern America than of social conditions. By swinging a poker at the temple of his brother Eben, Farragut, the unbalanced husband of an attractive and demanding woman, vents all of his seething rage with the hypocrisy and falsity to which all social relations have been subordinated. Eben's work as a paid executive of a charitable foundation, in Farragut's view, is not only meaningless but also degrading and repulsive. By reading novels about high society life to the incurably ill and elderly in a home each week, Eben is stamping the last sparks of human dignity into the mud. Farragut does not even suspect that Eben is also unhappy in his own way; in the final analysis, the murder might not have even taken place, but the walls of mutual alienation in the United States in our day are too high and too strong to even allow close relatives to ever understand one another.

The decline of family life in the United States has long been almost the main subject of the observations, concerns and bitter thoughts of John Cheever in his writings. "What are the things most commonly found in our prose?" asked famous critic A. Kazin at the end of the 1960's, and answered, with particular reference to Cheever's work: "Businessmen and their mistresses, sickness, a sense of loneliness and the desire to acquire one's own ego and, finally, the drama of divorce." The spiritual wounds of the American "middle class" and the contrast between the free and easy nature

and harried life of the suburbanites on the one hand and their progressive spiritual unrest on the other--these are the indispensable ingredients of the subject matter of Cheever's books, beginning with his earliest short stories and the two volumes chronicling the gradual impoverishment of the Wapshot clan. The memories evoked here of Edgar Allan Poe are characteristic of all Cheever's prose as a whole; for this reason, it is no coincidence that two references to the "fall of the House of Usher" are made in "Falconer" by Farragut's wife Marcia.

The thoughts of a man who is confined inevitably turn chiefly to the past, and it is only Farragut's memories which deliver the reader of "Falconer" from impressions exclusively connected with prison conditions and bring him back into the familiar and infinitely fascinating world, the "world of apples"--the title Cheever gave to one of his most recent collections of short stories. Just as before, the writer is strongly drawn to New England, the Atlantic Coastline, the pine forests and salty sea air of Cape Cod. Somewhere here, close to Falmouth, neighboring on the Island of Chappaquiddick which entered history after the incident involving Senator E. Kennedy in the summer of 1969, stood the Farragut home, where the first seeds of the spiritual disharmony were sown and later recalled during the long months of imprisonment in Falconer. In this same location, not far away, at the mouth of one of the rivers flowing into Narragansett Bay, Cheever settled the heroes of his "Wapshot Scandal" and "Wapshot Chronicle"--in the town of St. Botolphs, a child of Cheever's imagination, resembling an old engraving come to life, and covered, in the writer's words, with "the rich dark varnish of decorum and quaintness."

The cozy and tidy little world of St. Botolphs is related to the old nests of gentry in classical Russian literature, which has invariably served Cheever as one of his chief sources of creative inspiration. According to his own admission, the atmosphere of the Wapshot home is permeated by a "leisurely Chekhovian dreaminess" and echoes of Chekhov's impressionism are quite frequently heard on the first pages of "The Wapshot Chronicle." The aroma of "some place where we would like to stay but can't," which is linked in the thoughts of Rosalie Young, a girl from the big city, with the appearance of the farming community which has partially accepted her, consists of a multitude of fragments which combine to make up the "odor of the uncommon." "The uncommonly fresh air," the "aroma of balsam" and the "pleasant smell of roses, lilac and hyacinth"--this splendid bouquet conveys the atmosphere of the modern Eden no less eloquently than a long list of impressive visual images.

"What a life, what a wonderful life!"--This cry comes from the heart of the young Moses Wapshot, for whom the small model community constitutes the alpha and omega of social organization, carried over, as it were, without the slightest changes, from the legendary time of Tom Sawyer and Huck Finn to contemporary America. The feelings of personal worth and calm and unaffected self-confidence formed in each of the Wapshots from their earliest years represent an important element of the American psychological "soil"

brought to the banks of New England by the first generations of colonists. In addition to the common feature of loyalty to tradition, each native of St. Botolphs also has his own peculiarities, taking the form of eccentricities and quirks which, as a matter of fact, are what sometimes give the individual the desired uniqueness.

One of the residents of the town is a resolute opponent of vivisection and, at the same time, according to her own brand of logic, Christmas, as a "wasteful and phony holiday"; another is a capable housewife who loves to bake pies and cakes and does this with such success that she earns enough to support her invalid husband and her two college-age sons. All of these minor personality traits, domestic talents and amusing obsessions, which are painstakingly catalogued by Cheever, diversify and animate the lifestyle of this human community which has evolved its own precise ideas about other, more significant aspects of social and moral codes.

The style of Cheever's novel is emphatically factual and is bound to a specific milieu, but, in Cheever's books, reality is capable of suddenly becoming intangible and elusive, escaping analysis and leaving only a vague trace, or, more precisely, a weak mixture of aromas, which have always been assigned a special role in the writer's palette of images. This evidently happens because each of the writer's works represents a complex system of ironic comparisons and contrasts, emphasizing the non-standard, multidimensional and, sometimes, indefinite nature of reality itself. Nonetheless, the general line of Cheever's prose can be traced quite clearly from "The Wapshot Chronicle" to "Falconer." "Could anything bad really happen in this paradise?"--this rhetorical question is asked in the first book about the Wapshots, after the reader has met its main characters. In essence, all of the subsequent content of the two volumes, as well as the two novels that followed, serves a single purpose--to disprove the fairy tales about the land of milk and honey which are based on beliefs about the patriarchal idyll of old rural America.

After a short time, the reader begins to discern along with the author that, in spite of the nostalgic atmosphere enveloping St. Botolphs, sincerity and benevolence there are accompanied by hypocrisy and spiteful gossip, and the aristocratic grace and nobility of the Wapshots is capable of breaking down at any time under the burden of the most banal economic categories.

"In these parts, cunning and dishonesty were customarily treated with respect," notes the author and, during the course of his tale, introduces several colorful characters to the reader, including the chairman of the board of the local bank and the town undertaker, whose respectability has not suffered in the least from their greed and hypocrisy.

The atmosphere of St. Botolphs also keeps another factor in a constant state of tension--the unceasing struggle of the men against female tyranny, one of the distinctive features of the New England way of life. The inflexible women with their strong facial features and irreproachable reputations never yield their rights as masters of the domestic sphere and high priestesses

of all public events and town celebrations. The men are usually overshadowed by them, as is the case, for example, with the clan elder, Leander Wapshot, an impractical dreamer who, although he is a master of all trades and an excellent mentor for his own sons Moses and Coverly, is completely dependent on the business acumen of his wife Sarah and, in particular, on the goodwill of old Honora Wapshot.

Leander and Honora represent the two main categories of characters in the family chronicle--sensitive and generous men and despotic women with a total belief in the Protestant ethic. An unhappy marriage gnawed away at the spirit of Leander's father, Aaron; the same fate awaited Leander himself, whose errors and failures are made the object of public amusement by Sarah Wapshot. Nonetheless, the figure of this custodian of tradition, stubbornly opposing the onslaught of the present-day American mass culture, deserves profound respect as well as pity. Leander's autobiography, which he writes for the edification of posterity, contains an interesting synopsis of the "coming of age" of the typical self-made American at the beginning of the 20th century. "Worked from seven to six. Smiled. Always ran. Studied." Entries of this kind could be found in the diaries of thousands of failures and future millionaires like Andrew Carnegie and Henry Ford. The watershed between the 19th and 20th centuries ended the era when economic individualism reigned, when it was not yet an accepted practice to appeal to the society for help and when a clear head and strong muscles seemed to provide a certain guarantee of success in life with its skirmishes with external circumstances. Young Leander also willingly joined in this race for ambition: "Began career. Full of self-confidence. Decided to excel."

Fortune, however, bypassed most of the older representatives of the Wapshot clan, and the "great" motto "Make Money" became the undying worm that ate away at the happiness of many of the remarkable people mentioned in Leander's journal. "Hell's fire is not as hot as necessity," intones a characteristic Cheever aphorism, and this is followed by a loud series of rhetorical statements which sound as if they stepped out of the pages of Victor Hugo's novels. "Poverty is the root of all evil. Who is the thief? A poor man. Who is the drunk? Also a poor man. Who forces his daughter to give herself to the first passerby on Chardon Street? A poor man. Who leaves his son fatherless? A poor man." It was precisely the lack of a father that dealt the deepest wound to the spirit of young Leander: A lack of money drove his father out of the house. This descendant of bold sea-farers, who made four independent crossings to the East Indies, had to almost beg for charity from his rich relatives in his declining years. Many years later, the same kind of calamity brings an elderly and unattractive woman to the Wapshot home. Leander discovers that she is the illegitimate daughter of his first wife Clarissa, who remains the most vivid and moving object of his reminiscences.

Impracticality as a symbol of noble spiritual aspirations is the highest family virtue of the older Wapshots. The 60-year-old Leander is capable of

spending the whole morning playing backgammon instead of worrying about the future of his family; his wife Sarah, however, who is preparing her sons for a new life in a strange world, feels it is necessary to supply them above all with a prayer book, a report card and a confirmation certificate. If a few initial difficulties are discounted, Moses and Coverly do not have to starve or overexert themselves in order to become established in postwar America, which has already overcome many of its recent economic difficulties. But the contemporary era, as described by Cheever, turns out to be even further from any kind of order or reason than Leander Wapshot's uneasy and unsentimental "years of learning."

According to the old novelists' formula, the chronicle ends with weddings and the births of first-borns. Even Leander's death, which was precipitated by his own will, does not do much to disrupt the tranquil, almost fairy-tale atmosphere, which is underscored by the monologue by Shakespeare's Prospero quoted at the end of the book: "We are such stuff as dreams are made on and our little life is rounded with a sleep." In the second book about the Wapshots, which was published closer to the middle of the 1960's when the sociopsychological contradictions of the American "mass society" became more sharply delineated, the author takes a much bolder look at the other side of the semiblissful state in which his characters existed for such a long time. Having already told the Wapshot story once, Cheever does not so much continue this story as re-write it in his new novel. With the exception of Leander and Sarah, all of the characters in "The Wapshot Scandal" are the same, and they are only a few years older. But the romantic haze which had enveloped their actions and personalities disappears and center stage is occupied by centrifugal destructive forces which erode their old way of life and cause each of them, one by one, to confront the "organized cruelty of the surrounding world." This scathing definition is the major theme of all Cheever's subsequent works, the heroes of which are the martyrs and prisoners of what he himself now calls "our caricature civilization."

In contrast to the nostalgic "Wapshot Chronicle," "The Wapshot Scandal" is marked by much more sarcasm and bitterness in the author's tone. "Why does everything seem so boring and disillusioning in our most prosperous and just world?"--Cheever asks the rhetorical question and, as an answer, offers the reader several life histories, each of which is accompanied by the progressive impoverishment and decline of human relations. The relationships between Coverly and Betsey, Moses and Melissa and, finally, Melissa and Emile the delivery boy are completely devoid of any internal or spiritual meaning. The young Wapshots are no longer threatened by poverty; the nation is much wealthier than it was at the beginning of the century and the average American has unprecedented opportunities for satisfaction and amusement, but the moral and philosophical justification for the new way of life is hopelessly late in coming. A note of dissonance with the modern era is also sounded by the views of Honora Wapshot, who has to pay for her stubborn adherence to outdated ideas by the loss of her entire fortune and speedy death.

A great share of the blame for the spiritual confusion seizing the entire Western world is placed in Cheever's novel on the rocket and nuclear experts, or "cosmics," headed by Doctor Cameron. "They could destroy a big city without going to any great expense, but have they had any luck in figuring out the difference between night and day, between reason and blind instinct?" Coverly Wapshot broods, attempting to overcome the monotony and emptiness of his job in the rocket testing facility in Talifer. As the only member of his generation who has been able to preserve untouched the honesty, punctuality, family loyalty and simple-minded naivete with which he was instilled, he staunchly endures all of the upsets and losses which combine to make up the "Wapshot scandal." Still, even this "model of provincial virtues" faith in the integral and sensible nature of the universe is shaken. "During this stage of the nuclear revolution," Cheever writes, "the world around Coverly was changing with incomprehensible speed, but if these changes were really incomprehensible, what line of behavior should he choose and what kind of advice should he give his son? Is it possible that even his ability to distinguish between good and evil had atrophied?"

At the conclusion of the "Wapshot saga," its creator felt the need to resurrect the ghost of the patriarchal town with its ritual Christmas carols and traditional ice-skating on Parson's Pond. St. Botolphs has retained its original idyllic features and is still capable of serving as a "sheet-anchor" for homeless wanderers and the rejects of "mass society."

A completely different judgment is pronounced by the author on the ordinary village of Bullet Park, which provided the name for his next novel, written in the interval between the two Wapshot novels and "Falconer." Developing the theme of the inconsistency between the material abundance and the spiritual hunger and depression which are taking over millions of American suburbanites with increasing inevitability, Cheever takes a particularly ironic and cruel look at feeble-mindedness, greed and vulgarity in all its forms in "Bullet Park." The so-called "loyal citizens" or, according to the terminology of the end of the 1960's and the beginning of the 1970's, the "silent majority," has long been the target of ridicule by American satirists. Ambrose Bierce defined the term "moral" as anything "corresponding to the universal understanding of profit" in "Satan's Dictionary," and for H. L. Mencken, there was no phenomenon more contemptible than the "booboisie"—a neologism combining the words "bourgeoisie" and "boob," or "stupid."

The "booboisie" of contemporary "mass America" lives a carefree life in the "stuffy, sticky atmosphere of Bullet Park" where, in contrast to St. Botolphs, sterile silence reigns and "even the sound of birds singing is not heard." These are the "wholehearted devotees of worldly rituals," the Wickwires, and the Riddleys who closely resemble them ("they introduced their attractive guests to other guests with the air of salesmen demonstrating a new car model") and the Lewellen couple, who even see evenings spent with friends as a convenient tax dodge. Cheever's condemnation of the distinct commercial nuances concealed in each action and each gesture of the inhabitants of Bullet Park gave his novel greater force as a social expose and

turned the name of his imaginary village into a unique symbol of the times, just as Sinclair Lewis' celebrated "Main Street."

More complex feelings, however, were evoked by the story of the main characters in the work, the Nailles family: Eliot, Nellie and their 17-year-old son Tony, who almost becomes the victim of a fanatical crime by Bullet Park's "eccentric," Hammer. It turns out that the "American standard" is not despised by Cheever in all of its manifestations. The writer's usual irony is replaced by gentle humor when he writes, for example, that the kind-hearted Nailles "felt from the beginning that everyone was honest, positive, clean and happy and for this reason he was frequently disillusioned." He paints the portrait of Nellie, the modest housewife, without a trace of ridicule or, conversely, sentimentality, with only rare teasing remarks about her expansive hospitality or "excessive" chastity. The depth of Nellie Nailles' parental love for her Tony is particularly appealing. Tony, however, fiercely protests against the routine and tranquil way of life in Bullet Park and in all suburban America.

The prudence and external decorum of the "average Americans" are too rough and unreliable a point of orientation in the world, which is, according to Cheever, "chaotic and distorted" and is racing headlong toward an unknown goal. "Damn them, damn them all," mutters a "zealous and vengeful adolescent" in the prologue of "Bullet Park," anticipating the later entrance of the character Tony. "Damn the bright lights by which no one reads, damn the continuous music which no one hears, damn the grand pianos that no one can play.... Damn their hypocrisy, damn their cant, damn their immaculateness, damn their lechery and damn their credit cards! Damn their discounting the wilderness of the human spirit and damn them for having leached from life that strength, malodorousness, color and zeal that give it meaning." This brilliant philippic is totally in the spirit of invectives hurled by Salinger's Holden Caulfield 20 years before, but this kind of outburst of protest should not, Cheever feels, hide or replace a more meaningful and composed examination of the widespread unhappiness in the world.

Another protest against the quagmire of everyday existence can, after all, be seen in the path chosen by the half-demented Paul Hammer, the path of eccentric nihilism which permits any crime as long as the "end justifies the means." The figure of Hammer, who occupies a noticeable place in "Bullet Park," is depicted in a few conventional strokes and, on the whole, does not aspire to total psychological authenticity. On the one hand, this is a grotesque character, the offshoot of a "jealous old woman and a male caryatid," serving as the model for the sculptures holding up many European hotels with their shoulders, but on the other hand, he is almost a copy of the good-looking and well-intentioned Nailles: The combination of their names ("Nailles" and "Hammer") is no coincidence, and the similarity in their appearance is also no coincidence. In essence, the image of Hammer, which is totally related by Cheever to the radical feelings characteristic of the end of the 1960's and the beginning of the 1970's, represents, as it were, the opposite side of the petty bourgeois character, the law-abiding

nature of which can suddenly be replaced by outbursts of ultrarevolutionary violence.

Socially limited by his illegitimacy, keenly sensing the crisis in capitalist society and finding the right words for condemning it, Hammer is, at the same time, the most genuine, without any allowances or provisions, contemporary villain in the drama that is played out with emphatically realistic detail in the quiet New York suburb. His attempt on poor Tony's life appears monstrous precisely because the reader of the novel is given an opportunity to see with his own eyes the imperfect, but peopled with living beings, real and not imaginary, world which Hammer so wanted to awaken. Yes, life in Bullet Park is unappealing and lacking in spiritual value, but, besides this, it would also seem to be mad--this is the line of Cheever's reasoning in his work with its bluntly ironic ending ("...and everything was as wonderful, wonderful, wonderful, wonderful as it had been").

The theme of a mad environment, which evokes equally mad responses, forms an ideological "bridge" stretching from "Bullet Park" to "Falconer," published 8 years later.

In returning to this novel, we should note that here the author first removed the safety glass which had, to one degree or another, protected his characters against the nightmares of the "seamy" side of life. Prison does not deliver the individual from constant psychological pressure, but, to the contrary, intensifies this pressure, and outbursts of rebellion can take place for the most unexpected reasons. The "Red Alert" squad has to be called to Cellblock F after the prisoners have been refused their "constitutionally guaranteed" dinner and are not allowed to watch television that night. The cause would seem to be trivial but, when it is superimposed on the general psychological climate which is aroused by the news of the outbreak of revolt in neighboring prison of Amana (Cheever was referring to the well-known events in Attica, New York, in the fall of 1971), it leads to desperate and neurotic rebellion.

In comparison to the previous books, "Falconer" contains many more passages bordering on naturalism and startling the reader with uncharacteristic and persistent frankness in the description of human defects and vices. This applies, for example, to the scene describing the slaughter of the cats breeding within the prison's walls or the description, which is not devoid of its own variety of lyricism, of Farragut's homosexual relationship with the young inmate Jody. At the same time, Cheever's faith in the possibility of liberating and rehabilitating even the most tormented social misfit--whether he is a drug addict, vagrant or criminal--is expressed more clearly and confidently in this novel than ever before. Jody and Farragut both gain their freedom in a miraculous way, and the latter has to use the subterfuge of the hero of the "Count of Monte Cristo," who escaped from the Chateau d'If in a shroud intended for his teacher and friend. The steps Farragut takes on the streets of the big city are timid and halting, but the very first person he meets, a talkative and slightly drunk man, helps

him without any kind of ulterior motive and gives him hope in the possibility of a "new start." After the gloomy and repulsive realities, which force the reader to recall "The House of the Dead" and Celine's "Journey to the End of Night," the shoots of vital, humanistic feeling begin to sprout on the concluding pages of "Falconer."

Prior to the publication of "Falconer," the prevailing view expressed in reviews of Cheever's works was that, in surveying the contemporary "market-place of worldly vanities," the American author, just as W. Thackeray in "Vanity Fair," did not express any sympathy for his characters and did not require that his reader feel any, and that his heroes resembled puppets controlled by the hand of an indifferent puppeteer. The truth of this kind of statement could have been disputed even in the past and was even "lame" in the comparison to Thackeray, since the English writer said, justifying his idea of the "novel without a hero": "And when you return home, you will sit down, still lost in deep thought, not devoid of sympathy for the individual, and will take up a book or an unfinished task."

Sympathy for the individual, for the prisoners of the American "mass society" of the second half of the 20th century, sprang up even in John Cheever's two books about the Wapshots and in "Bullet Park," despite the impression of passivity and the presence of a certain distance between the narrator and his material. When the metaphor of "confinement" took on its literal meaning in the last novel, however, Cheever's humanism became even more sound and acquired another firm "basis of support." "I would like to think of 'Falconer' as the result of my life, my knowledge and my perceptions"--this is how the author evaluated the significance of his recent book.

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CRISIS IN U.S. EXTRACTIVE INDUSTRY

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pp 118-119

[Review by V. I. Sokolov of the book "The Future of Nonfuel Minerals" by John E. Tilton, Washington, the Brookings Institution, 1977, VIII plus 113 pages]

[Text] The provision of the U.S. economy with various minerals, which are now being mined throughout the world by the largest multinational monopolies, is still an extremely complex and far from solved problem. Under present conditions, even short interruptions in the supply of bauxite, iron ore, chromium, tin and other major minerals could have the most serious consequences for the U.S. economy--consequences which would probably be comparable to those of the energy crisis.

The subject of this review, a book by American economist J. Tilton, published by the Brookings Institution under the title "The Future of Nonfuel Minerals," reflects the apprehension and fear of new crises in the American supply of raw materials which were engendered by the energy crisis. The nationalization of enterprises of the extractive industry in the developing countries, their attempts to institute stronger control over the use of their own natural resources, the probability of new organizations of nations producing raw materials on the OPEC model, the rise in prices and taxes on exported raw materials and the growing demand for funds for the development of new sources of raw material--these and other realities of the present day are doing much to change the conditions of capital application in the U.S. extractive industry.

The author has set himself the task of examining the major causes which might lead in the near future to short-term interruptions or long-term crises in supplies of industrial raw materials. He does not conceal his desire to blame the new crisis on the policy of the developing countries. For example, J. Tilton writes: "By means of taxes, expropriation, price controls and environmental protection standards, the host countries can affect the size of the overhead costs and profits of producers of raw material by impeding the development of new capacities and casting doubts upon the adequacy of future raw material supplies" (p 30).

Even structurally, the work is engineered in accordance with the author's ideas about the probable causes of interruptions in supplies of raw material to the economies of the United States and the other developed capitalist countries. In particular, J. Tilton includes the following among these causes: 1) the "depletion" of resources in the physical and economic sense; 2) the hampering of new investments in the extractive industry abroad by government "intervention" in the host countries; 3) complications in the U.S. extractive industry in connection with the new ecological and energy requirements and the shortage of free capital expected within the near future; 4) factors related to the cyclical development of the capitalist economy; 5) the political pressure of the nations exporting raw materials.

According to the author, these five groups of factors have not been of equal significance in the development of the new raw material crisis. For example, a comparison of statistical data on raw material supply and demand indicates that "the physical depletion of minerals is a remote and insignificant problem" (p 10). The author has the same optimistic views in regard to the "economic interpretation of depletion" (when Americans use this term, they are referring to an increase in the costs of extracting and processing raw materials which is accompanied by reduced demand). The discovery of new sources of raw materials, the increased demand for recycled materials and, finally--the most important factor--technological progress, which will ensure the interchangeability of critical materials, will serve, according to J. Tilton, as an effective "counterbalance" to the tendency toward an increase in the cost of extracting and processing raw materials, at least until the end of this century.

The author feels that much more complex problems will arise in connection with underinvestment in the U.S. extractive industry. If for no other reason, possible interruptions in supplies of industrial raw material cannot be quickly eradicated due to the fact that the enlargement of existing capacities or the construction of new ones for the extraction and processing of raw materials require a period of 2-6 years. Moreover, these projects sometimes require the concentration of quite substantial financial resources. The total cost of an iron ore enterprise with a pelleting plant beginning operations in 1977 in the Province of Quebec (Canada) is estimated at 500 million dollars, while a copper project completed in Panama is estimated even higher--800 million dollars (p 27). Capital expenditures per ton of product in the U.S. copper industry, however, rose from 1,300 dollars in 1950 to 3,000 in 1970 (p 61).

Crises in the extractive industry are the direct result of the general economic crises that periodically upset the entire capitalist economy. For this reason, the author is correct in devoting a special chapter to the cyclical reasons for the raw material crisis; in this chapter, he points out the fact that their role is growing as economic cycles become synchronized in the capitalist countries. A crisis in the entire economic system of capitalism closes reserve sales markets for raw materials to the U.S. mining monopolies. Conversely, when the demand for raw materials rises, U.S. monopolies find it increasingly difficult to satisfy this demand by means of supplementary

imports of raw materials from abroad. Cyclical fluctuations are compounded by other factors engendered by the peculiarities of capitalist economic management. For example, J. Tilton notes in particular that the most difficult problem consists in private speculation in raw materials (pp 68-69). We know that the monopolies frequently cause artificial interruptions in supplies of raw materials for the purpose of jacking up prices.

Therefore, although the author produces extremely tendentious arguments in favor of capital, he also has to touch upon the objective causes of the new crisis that is brewing in the capitalist countries in the area of mineral supply.

It should also be noted that J. Tilton's work is fragmented to some degree. While he is indulging in an analysis of the purely political circumstances of the raw material problem and the marketing tactics of the raw material monopolies, the author sometimes loses sight of the key aspects of the approaches now being taken to the problem. One of these consists in the development of world ocean resources, which, according to available estimates, can satisfy around 50 percent of the world demand for cobalt, 18 percent of the demand for nickel, 5.6 percent of the demand for manganese and so forth by 1985.¹ This, in turn, could completely change the balance of political power and economic conditions in the area of the extraction and processing of raw materials and, finally, could change the scales and nature of the raw material crisis in the capitalist countries.

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1. See SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 11, 1975, pp 110-121.

SOCIAL SECURITY AND SOCIAL REFORM

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 78
pp 119-121

[Review by V. M. Valentinov of the book "SShA: krizis sotsial'noy politiki" (The United States: Crisis in Social Policy) by Ye. P. Kassirova, Moscow, Mysl', 1978, 252 pages]

[Text] The intensification of the political, economic and social contradictions in American imperialism under the conditions of the growing severity of the general capitalist crisis has necessitated stronger regulation by the state in various spheres of economic and social life. The government's activity in the social sphere, including the sphere of social security and insurance, is becoming one of the forms of this kind of regulation. The defects in the existing system of social security in the United States are turning it into one of the most crucial problems in the struggle of the working class and other workers for the satisfaction of their vital interests and for the improvement of living conditions and the quality of life. The problem is equally significant in connection with the recently unleashed loud propaganda campaign in the West in the "defense of human rights" in the socialist countries. One of the major roles in this campaign is being played by American propaganda, which is trying to divert the attention of the public from the need to defend the social rights and guarantees of human existence in its own nation.

The topical importance of the subject of this review, a work examining the specific aspects of the American Government's social policy, is therefore completely obvious. The author analyzes the forms and methods of the U.S. Government's social activity, discusses specific social programs of the 1960's and 1970's which have touched upon various spheres of public life and examines the basic tendencies and possible developmental prospects of U.S. Government policy.

A special place in the government's social policy and social benefits is occupied by various social security programs. Suffice it to say, for example, as the author points out, that more than 87 percent of all expenditures on social security in the state and private sector which are accumulated through

taxation are made through the budgeting machinery of the federal, state and local governments (p 86). Social security and insurance represents the sphere of government social activity which occupies the first place in all government expenditures on social needs.

This is the first attempt in Soviet scientific literature to provide the fullest possible comprehensive and thorough description of the U.S. social security system as a whole. Such important elements as old-age pensions, occupational and non-occupational disability, unemployment compensation and medical treatment financed by insurance and contributions are also subjected to scientific analysis. A significant part of the book is devoted to a discussion of programs of assistance for the unemployed and underprivileged. In addition to analyzing general social security programs which cover the majority of the working public, the author also examines individual insurance programs intended for civil servants, war veterans and railroad employees, as well as private pension plans which are part of the collective bargains concluded by workers with employers.

In her analysis of the system of social security and social benefits, the author skillfully develops the idea that social benefits are ultimately the result of the collectivization of productive forces under the conditions of state-monopoly capitalism and represent concrete (collective) ways of satisfying the constantly growing social demands of the working class as the class struggle develops and class awareness grows.

The monograph provides the reader with a totally specific understanding of why the intensification of economic and social contradictions in American capitalism has caused federal social policy to become an object of fierce political struggle for a change in national priorities and the redistribution of national resources. The author illustrates this by means of a vast amount of factual material which has frequently escaped the attention of Soviet researchers. This material makes it possible to summarize and analyze in detail the distinctive features of the American system of state social security and insurance, which reflect the policy of social maneuvering conducted by the ruling class.

The author examines the evolution of the social security system in the United States from the standpoint of the changing correlation of class forces in the struggle for social reform. This methodological approach allows her to reveal the growing influence of state social policy on the redistribution of federal budget resources. From this standpoint, her detailed analysis of the public health system in the United States, including the system of private medical insurance which is virtually the only general system of health insurance, is of particular interest. The author conclusively demonstrates the enormous strength of the political influence and pressure applied on the government by the National Association of Manufacturers, the Chamber of Commerce and the American Medical Association, which are impeding the development of a public health system by increasing the percentage of corporate contributions to federal social security funds.

As the author soundly points out, government social policy does not guarantee the major social rights of the individual--the right to employment, education, social security, public health services and so forth. It does not have any effect on the actual causes of poverty, unemployment, injustice, social discrimination based on sex, age, race and nationality and so forth. It is actually a means of reinforcing and maintaining social injustice and class inequality.

The author also elucidates the main distinctive features of the social security system in the USSR, its achievements in the area of social reforms and the prospects for the development and improvement of public welfare in light of the decisions of the 25th CPSU Congress and other party documents which have established absolutely new criteria for evaluating the level of social progress and the quality of life in today's world.

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TECHNOLOGICAL POLICY OF MODERN MONOPOLIES

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 78
p 121

[Review by V. Yu. Ozira of the book "Razrabotka i osvoyeniye produktsii v SShA. Praktika korporatsiy" (The Development and Mastery of Production in the United States. Corporate Practices) by V. A. Nazarevskiy, Moscow, Nauka, 1977, 211 pages]

[Text] In contrast to earlier works on this subject, the monograph by V. A. Nazarevskiy contains an analysis covering all stages of the research and engineering process--from the beginning of fundamental research to the series production and sale of the new commodity. His examination of the entire chain of problems involved in product development has resulted in a comprehensive picture of the modern systems for organizing and managing research and engineering in a firm and has made it possible for the author to disclose the basic tendencies in the establishment of organizational plans and in the development of the most effective forms of stimuli.

Abundant factual material serves the author as a basis for the conclusion that there has been a constant increase in the number of branches which no longer simply require millions of dollars for the successful development of new products, but tens and hundreds of millions (p 23). Moreover, the technological revolution is giving rise to scientific and technical problems which cannot be solved within the range of the financial and administrative capabilities of even the largest monopolies in the nation. This has given rise to a situation in which private capital is incapable of independently solving the major problems of technical progress. Under these conditions, the role of the government in the development and coordination of the nation's technological policy is undergoing considerable reassessment.

The modern state is capable of rendering substantial assistance to corporations wishing to develop new products and increase their competitive potential, but, as the author correctly points out, the bourgeois state has not worked out any kind of unified policy to promote the development of science and technology because of the resistance of private capital, for which the technological revolution sometimes represents an obstacle in the race for maximum profits. For this reason, the federal government usually limits its actions to the development of individual programs which rarely encompass an entire branch.

The Soviet reader will be interested in the information presented on the changes in the dimensions of the technological complexes of American corporations in many branches and on the funds allocated for their establishment and functioning. The author examines the factors determining the considerable differences in the dimensions and organizational structures of research complexes (p 123). The author demonstrates the procedure for determining the optimal parameters of a research center at a time of technological revolution and discusses the dangers of the insistence on gigantic centers and of attempts to economize on scientific engineering facilities.

The author discusses the reasons for the establishment of intercorporate (interfirm) scientific and technical centers and experimental enterprises, which sometimes belong to the corporations of several nations (p 139). His examples of the cooperation by Soviet and American researchers in the resolution of the most complex problems involved in the development of modern science and technology are of particular interest.

A large part of all of the sections of the monograph is devoted to the problems involved in the development and implementation of the technological policy of the modern monopoly. He describes the great differences in the approach to such problems as the evaluation of the impact of capital investments in research and engineering, the distribution of funds among fundamental and applied research projects and the determination of the "service life" of a commodity, and, most importantly, he discloses the reasons for the absence of a single approach to the resolution of these problems.

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NEW FACTORIES IN U.S. FOOD INDUSTRY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 78
pp 122-127

[Article by G. V. Stopani]

[Summary] The food industry is the largest branch of the U.S. economy in terms of the number of persons it employs and the value of its production output. There has been a clear tendency in this branch toward the organization of large and narrowly specialized enterprises producing a limited assortment of food products or, in some cases, just one item. This kind of specialization provides the best opportunities for the mechanization and automation of technological processes.

The construction of large enterprises reduces proportional capital investments per unit of product, reduces overhead expenditures, simplifies equipment maintenance, reduces the number of administrative personnel and permits automated production control on a large scale.

As a rule, the new enterprises in the U.S. food industry are windowless, one-story buildings. In most cases, the floors are slip-proof tile. Sanitary and hygienic conditions are given priority in production and warehousing facilities. Most of these enterprises operate their own delivery vehicles, and the drivers of these vehicles settle accounts with trade enterprises, check the assortment of goods in stores, verify that goods are displayed effectively on shelves and so forth.

Modern computer equipment is widely used in the food industry for administrative regulation and other types of control. The intense competitive struggle in the United States dictates the need for strict quality control, involving regular sample analysis. The quality of raw materials and finished products is also checked by government inspection boards.

Almost every firm has its own research center with experimental facilities for the testing of new technological procedures, equipment, packaging materials and new types of products.

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The U.S. food industry maintains extremely close contacts with trade organizations. In recent years, the firms producing edible items have been printing price codes on their boxes, cans and jars. This code can be read by store cash registers. Within the near future, all cashier operations will be automated by this means.

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